

HISTORY OF THE
LOCAL FUND CESS
(APPROPRIATED TO EDUCATION)
IN THE PROVINCE OF BOMBAY

J. P. NAIK, B.A.,
*Member, Provincial Board of Primary
Education, Dharwar*

FOREWORD BY
Dr. D. R. GADGIL, M.A., M.LITT.,
*Director, Gokhale Institute of Politics
and Economics, Poona*

PUBLISHED BY
CHUNILAL D. BARFIVALA, M.A., LL.B.
THE LOCAL SELF-GOVERNMENT INSTITUTE
11, Elphinstone Circle, Fort, BOMBAY
(Bombay Presidency)

1942

Re. 1-8

FOREWORD

Mr. Naik's History of Local Fund Cess in relation to Education in Bombay Province hardly requires a foreword from me. Mr. Naik's request could not, however, be refused and I write a few words to introduce his brochure to the reader. It is now very generally recognized that a close study of previous history helps towards a proper understanding of the inwardness of a problem and the many aspects of the acute problem of the finance of primary education have been thrown into sharp relief by Mr. Naik's historical account.

Mr. Naik's work is made up almost entirely of materials contained in official records but even so and even within the small space that he permits himself he raises a large number of questions of very considerable present interest. There is the urgent problem of the pace and method of expansion of primary education. This problem, however, does not stand by itself but is bound up with the problem of the standard of attainments and that of cost. The standards of attainment must always be co-related to the objectives of the educational effort. Unfortunately this is not usually done in current controversy, with the result that the proposals of reformers or the objections of their critics are seldom seen in the proper perspective. In a system which contemplated the absorption of a majority of those passing through schools in one or another type of clerical employment, the standards would necessarily be different from those appropriate to a wider educational aim. During the last 100 years the objectives of educational effort in India have naturally undergone considerable transformation. It is clear from Mr. Naik's narrative, however, that there was little awareness of the fact of this transition. It follows that there should be confusion of thought and that educationists with differing objectives in view should be found talking at cross purposes. The preliminary step in a settlement of policy is thus the statement of the objectives looked at from the point of view of the future of the majority of the educands who leave the educational system at various appropriate stages.

A revision of standards may help a partial solution of the problem of cost. It is often supposed that a mere change of agency such as with the indigenous schools of old or the voluntary schools of today considerably alters the nature of the problem. This is, however, a superficial view ; because, the substitution of agency also involves a change in the accepted standards of attainment and in the average payments to teachers. There is no reason why in the sphere of primary education the direct state agency should not be content with a standard which is permissible of attainment by a non-governmental agency. And in regard to questions of payment the time has certainly come to cease thinking in terms of the emoluments of two artificially divided sets of public educational services : (i) the governmental and (ii) the private.

Mr. Naik's review shows clearly that the problem of remuneration of primary teachers as faced in this province, where it is perhaps the most acute, is the creation mainly of two sets of circumstances. The first is the large surpluses of the Government of India in the years preceding the war of 1914-18, and the second the enormous rise in the cost of living in the later years of that war and in the years immediately following the cessation of hostilities. The surpluses induced the Central Government to make large grants which were utilised for raising the scales of pay and the post-war high prices, coinciding as they did with the introduction of the new Provincial structure, fixed these scales at a level impossible to sustain in the later lean years and at which expansion could not be contemplated. The problem of the pay of teachers has to be squarely faced in all projects of expansion and in dealing with it the levels of pay of teachers in voluntary schools must also be considered as forming part of the problem.

In relation to finance Mr. Naik's review also shows how old some of our thorniest problems are. The grant-in-aid system inevitably raises the question of the basis of the assessment of grant. And just as financial settlements like the Meston Settlement could be understood only in the light of the history of previous decades the present inequalities in the treatment of Local Boards can only be understood in the light

of what Mr. Naik unfolds. Further, as in the case of Provincial Settlements, though it is comparatively easy to lay down equitable principles in the abstract it is difficult to get over the force of prejudice and of vested interests born of past history. Or take again a question relating almost purely to the taxation system, the vexed question of taxing adequately the non-agricultural classes of the rural areas. Mr. Naik shows how this is related to the general question of local finance and to the particular question of the finance of education. It is perhaps indicative of the inherent difficulties of the problem that in spite of considerable attention being paid to it at various times in the past no really satisfactory solution has yet been found. What I have said so far would be enough to indicate the varied nature of the problems raised by Mr. Naik in his historical account and of the great importance that the account has in the present. This itself is, of course, only partial history ; for example, the financial account has to be read against the general background of Indian financial history and of world economic history. Otherwise we might too easily grant credit to, for example, those who guided policy in the plentiful years of the first two decades of this century or be unduly unfair to those who had to guide it in the lean years between 1921 and 1935. But such a reservation has to be made in the case of all special accounts and detracts nowise from the merits of the full and lucid history presented by Mr. Naik in this brochure.

Poona 4, }
2-12-1942. }

D. R. GADGIL.

PREFACE

This little book is a history of that part of the Local Fund Cess of this Province which is devoted to education. The period covered by it is exactly of one hundred years—from 1839 to 1938. The first chapter deals with the establishment of the local fund cess—an idea which was put forward as early as 1839 and accepted by Government as late as 1863 ; the second chapter deals of the gradual extension of the local fund cess to more and more villages, till it was universalized in the Province by the Bombay Local Funds Act of 1869 ; the third chapter deals with the history of the cess during the fourteen years between Lord Mayo's decentralization order of 1870 and the separation of the schools in Municipal areas from those in rural ones which was carried out in 1884 ; the fourth chapter expounds the events between 1884 and 1902 when Lord Curzon gave a new lead to the financial policy of Government with regard to primary education ; the fifth chapter takes the history of the question to the passing of the Bombay Primary Education Act of 1923 ; and the sixth chapter narrates the events up to 1937-38, the year in which the Congress Ministry came to power for the first time.

The main object of the book is to explain the gradual evolution of the principles on which the finance of primary education in rural areas of this Province is based ; for, it is this historical background alone which can explain the various shortcomings of the present system and also furnish a clue to the lines on which it must be reformed. How far I have succeeded in this task, it is for the reader to judge.

I cannot conclude without offering my thanks to those of my friends who have assisted me in various ways. The book was planned and begun under the inspiration of the late Mr. M. R. Paranjpe, who read the first three chapters of the book and made valuable suggestions. It is my great misfortune that I could not have his assistance to the end. I am also particularly obliged to Prof. V. P. Khanolkar for going through

the manuscript and making valuable suggestions. I am also thankful to my friend Mr. A. S. Gavade for assisting me in the statistical part of the book.

I am greatly obliged to Dr. D. R. Gadgil for writing the foreword, to the Local Self-Government Institute, Bombay, for having undertaken the publication of this book and to the Government of Bombay for the subsidy given to it.

JAYANT P. NAIK

CONTENTS

	PAGES
FOREWORD : by Dr. D. R. Gadgil, M.A., M.LITT., Director, Gokhale Institute of Politics and Economics, Poona	v
PREFACE	ix
CHAPTER I : The Establishment of the Local Fund Cess. 1839-63.	i
„ II The Extension and Legalisation of the Local Fund Cess. 1863-70.	18
„ III A Period of Difficulties. 1871-1884.	29
„ IV Narrow Ideals. 1885-1901.	51
„ V A Period of Prosperity. 1901-21.	76
„ VI The Wheels Move Back. 1922-1938.	116

CHAPTER I

ESTABLISHMENT OF THE LOCAL FUND CESS (1839 - 1863)

① The idea of imposing a local fund on land goes back to the year 1839 when Lieutenant Davidson, the then Assistant Superintendent of the Deccan Survey, made a proposal to raise the survey assessment by 5 per cent in order to provide funds for the following purposes :—

1. Establishment and support of schools in the larger villages ;
2. Entertainment of artificers at the principal town of the District, to make carts for the use of cultivators at a moderate price, and improve the mechanical resources of the District ;
3. Award occasionally of prizes to the more enterprising husbandmen.

But the Government of Bombay did not accept this proposal. In its opinion, it was premature to adopt and act on the scheme, without more experience of the result of the new revenue settlement introduced in 1836-42. But the utility of the suggestion was admitted and it was decided that the proposal should be kept in view for future adoption under favourable circumstances.

Captain Davidson renewed his proposal in 1843. At that time, the work of the revenue settlement was over and it was decided to reduce the total assessment on land by Rs. 1,40,000. Captain Davidson proposed that out of this, an amount of Rs. 20,000 should be withheld and spent on the establishment of village schools—an arrangement which Captain Davidson thought the ryots would cheerfully accept. But the Government of Bombay again refused to accept the suggestion. It was argued that “if the whole amount of remission was required by the exigencies of the population, it would be inadvisable to withhold any part of it from them ; while, if it was not required, it would be inexpedient to relinquish any resources with which the public finance could not dispense.” It was also argued that “the public revenue is to be considered as constituting one general fund from which all public disbursements are to be defrayed, and that no portion of it was to be

kept back for particular purposes." The Government of Bombay, however, referred the whole matter to the Court of Directors who agreed with the above view and passed the following order :—

"We do not think it necessary to discuss the measure that has been suggested, as the objections to its adoption are sufficiently obvious, and we have only therefore to express our concurrence in your determination not to authorize the diminution of any indispensable reduction of assessment for the establishment of local schools. We have no doubt that the formation of such schools is greatly wanted, but this is a subject which will receive the consideration to which it is so well entitled from the Education Board."

—Letter of the Court of Directors, No. 10,
dated 13th April, 1852.

The next event in the history of the Local Fund, is dated 1849 when Mr. Inverarity, the acting Collector of Belgaum suggested the imposition of an additional tax of 6 pies on each rupee of land revenue for the construction and maintenance of roads. Government therefore took up the consideration of this proposal along with that of Captain Davidson and asked Captain Wingate, the then Revenue Survey Commissioner, to report on the same (1852).

In a very detailed and finely drafted letter, Captain Wingate generally considered all the aspects of the proposal and particularly the following points :—

1. Advantages that may accrue to the country from such a levy.
2. The legality or expediency of increasing the tax on land especially in view of the fact that Government had given a guarantee to the cultivators that the survey assessment would not be raised for thirty years.
3. The amount of the tax ;
4. The purposes for which the proceeds of the tax were to be applied ;
5. And the agency for the administration of the funds.

On the first issue, Captain Wingate whole-heartedly supported the idea of a local fund of this type. He held the view that if a certain portion of the land revenue were spent by Government in improving communications and in affording educational facilities to the agriculturists, the total production of commodities would increase so materially that in course of a few years, the land revenue of the Province would be increased by an amount far greater than that of the tax itself.

On the second point, Captain Wingate was decidedly of the opinion that it would be illegal to increase the tax on land for any purposes

whatsoever. He was of opinion that the Government guarantee of a fixed assessment for thirty years was of the nature of a solemn contract and that it precluded Government from imposing any additional tax on land without the consent of the ryots themselves. Captain Wingate therefore suggested that Government should set aside a sum of five per cent from the net realizations of land revenue (i.e., after deducting the cost of collection) and apply it to the purposes mentioned above.

On the third point, Captain Wingate was of opinion that five per cent of the land revenue collections was the lowest amount that should be assigned for these purposes. But if Government were to consider it as too bold a measure, he suggested that three per cent of the revenue may be assigned as an experimental measure.

On the fourth point, Captain Wingate's suggestions were the following :—

"I think it should be devoted chiefly to education and to the facilitation of communication between different parts of the country, whether by the construction of roads and bridges, or by the construction of carts for the use of the ryots in districts where they are not now otherwise easily obtainable; the price of these carts being repaid by them in instalments and recrated to the fund. The educational part of the fund should go to provide small salaries of 4 or 5 rupees per mensem to school-masters to be placed in a limited number of villages in each talook, the villages to be selected being of considerable size, and distributed as well as may be over all parts of the talook; and also to build school-rooms where no accommodation is obtainable.

|| "The schools should be viewed as specially designed for the education of the agricultural class, which is to provide the funds for their support, and none but the children of cultivators should be admitted to them, except on payment of a fee of not less than two annas per mensem, and unless the accommodation is more than sufficient for the former. The trading classes can afford to provide for the education of their children, and should not be allowed to appropriate what is intended for the agricultural class. (Every ryot holding land in his own name, and residing in a village having one of these schools, should be required to send all his sons to school on their attaining the age of six or seven years, and be required to keep them for at least three years, under penalty of a fine, not exceeding 10 rupees per annum, to be imposed when a child has not attended school for more than 6 months out of the 12, unless good and sufficient reasons can be assigned for his absence, unconnected with poverty or the child being required to tend the cattle or work in the field or at home. (Any scheme for educating the agricultural class will, I am satisfied, fail, unless it makes the attendance of the children compulsory on the parents. //

"The schoolmasters, though on low pay, should, if possible, have received a preparatory training, and if it were made incumbent on candidates for the higher class of schools now supported by Government at the principal towns,

to have served for a couple of years at least in a village school supported by the fund, there would probably in time be a sufficient number of qualified persons found for all the village schools which could be supported by the fund. The education in these schools should, as far as may be practicable, conform to that of higher schools at the chief towns, though it is not to be expected that the majority of the children would remain long enough to acquire more than a limited knowledge of reading, writing, and arithmetic.

"In respect to the disposal of the remaining portion of the fund, I think that the expenditure on roads and bridges should be strictly limited to lines leading to great trunk roads, which latter should be constructed at the cost of the general revenues. By this rule, any expenditure within the limits of a town or village, or on any road leading merely to the village fields, and not properly a cross-road, would be precluded. No work in which merely a single town or village is interested should be permitted to be undertaken either wholly or in part at the cost of the fund. This limitation is absolutely necessary in my opinion to prevent the fund being wasted on objects of general utility or interfering with the operation of the Municipal Act for enabling and encouraging people to tax themselves for such purposes. The construction of wells, to provide drinking water for travellers in the vicinity of a village, should not for the same reason be defrayed from the fund, though a well at a distance from any village, and on a high road for the use of travellers, would be a legitimate object to be undertaken by the fund. Dharmashalas or houses for the accommodation of travellers, whether in a village or not, might also be constructed with priority in my opinion from the funds.

"In making roads, the object ought to be to avoid as much as possible constructions that are likely to cost much in annual repairs; for the whole fund might very soon be absorbed by the latter, so as to shut out the possibility of any further improvement effected by means of it. I think, therefore, that as a general rule, it would be better to expend the fund on bridges than in making a "moorrum" or metalled roadway. Bridges once made cost almost nothing afterwards, but a moorrum or metalled roadway requires a heavy annual outlay for repairs. The making of the roadway might advantageously be confined to laying out the road of a proper breadth, and with good slopes and removing stones or other obstructions and filling up hollows, but the roadway should be merely the natural soil. Such a road is very nearly as good for cart traffic as a moorrum road during all the fair season, to which the traffic of the country will always be in a great measure confined, and if sufficiently bridged, it would constitute a very tolerable means of communication even during the wet season in all the countries above the ghats where the rain seldom falls for many days in succession, and the intervals of fine weather are always of considerable duration."

On the fifth point, Captain Wingate was of opinion that the fund would be efficiently administered if it were entirely at the disposal of a single officer, viz., the Collector. He, however, added :—

"The Collector, however, might, if the plan be thought preferable to that of leaving him entirely unfettered, be required to submit a scheme annually for the appropriation of the fund to a Committee, and obtain their opinion upon it; but he should be allowed, I think, to act according to his own judgment and on his sole responsibility should he differ in opinion from

the Committee. The management of the village schools might be undertaken in communication with the ordinary educational authorities, but as the salaries of the schoolmasters would necessarily become a permanent charge on the fund, the Collector should take care that the whole expenses on account of education should never exceed half of the annual income of the fund. The Collector might also be required to submit an annual detailed statement to Government exhibiting the balance at the credit of the fund at the close of the previous year, the receipts and the amounts expended on the various objects contemplated by the fund during the current year, and the balance remaining to the credit of the fund next year; but he should be strictly prohibited from forestalling the revenue of the fund on any account whatever."

✓ The above ideas of Captain Wingate are interesting from several points of view. We may specially notice his idea that the educational part of the fund was to be spent in providing schools *in villages* and for *the children of agriculturists* only. Equally interesting is his suggestions that school attendance should be made compulsory in case of the children of agriculturists. The main flaw in the proposal is its uncritical optimism. It was obviously impossible to finance compulsory primary education out of the proceeds of the Local Fund Cess only. On the land revenue figures of 1849-50, the realisations of the L. F. Cess (at 5% of the net proceeds) would have been as under :—

<i>District</i>	<i>Amount of Cess</i>
Poona	24,165- 3- 0
Ahmednagar	37,802-10- 6
Sholapur	31,547-10- 3
Ratnagiri	24,596-10-11
Belgaum	50,115- 5- 5
Dharwar	49,284-14- 1

And yet it was expected that the cess would be helpful in constructing roads and bridges and in providing compulsory primary education of three years to the children of the agriculturists. Surely, the expectations were pitched too high !

The opinions of Captain Wingate were circulated by Government for opinion of important officials and bodies. A summary of the criticisms received has been printed and provides very interesting reading. There was a general agreement on the proposal of forming a local fund by setting aside 5 or 3 per cent of the net realisations from the land revenue, and administering it through the agency of the Collectors. But great differences were found with regard to the purposes for which the fund was to be used. As Mr. Lockett, the Assistant Collector of Belgaum, observed, each officer put forward the " Hobby " that he had longest fidden and insisted on its superiority over all the others. But

some of the suggestions made are very interesting. For instance, Mr. Gray, the Assistant Collector of Ahmednagar, suggested—

“the appropriation of the fund towards the relief of hopeless insolvency of the ryots and the equitable composition of their debts, and that a portion of it be devoted to the institution of Savings' Banks, whose operations need not be confined to the receipt, custody, and repayment of deposits, but might also include the advance of small loans for miscellaneous purposes, and thus be the means of preventing the ryots, once freed from their embarrassments by their own exertions, or by the insolvent court, from again becoming involved on any sudden emergency in transactions with private money-lenders.”

In the same way, Mr. Goodine, the Assistant Superintendent in charge of Ahmednagar Survey, made the following suggestions :—

“As another means of improving the mechanical resources of the country, it occurs to me that it would be advisable, if possible, to confer upon the sons of native mechanics the advantage of a superior mechanical education. Might they not be induced to work for a year or so at the *School of Industry* in Bombay : or should the fact of the School of Industry being located in Bombay deter the people from sending their sons to it ? Might not two other Schools of Industry, all in some measure dependent on the State, be instituted in the two principal divisions of the Presidency ; one for instance at Poona, and the other at Ahmedabad ? Might not a portion of the fund, now proposed to be set aside for the promotion of mechanical improvements, be applied to such a purpose ; or if this be impossible, would it not eventually amply repay Government to endow the School of Industry with sufficient means to educate the sons of the hereditary village artizans in their several arts particularly those of the smiths and carpenters ? It probably might not be necessary to extend the advantages of such education further than to the youth of the present generation, as their descendants would, according to native custom, gain the improved knowledge of their arts from their parents ; and in the event of it being deemed advisable to continue such aid, Government would eventually be justified in making a certificate of efficiency from the School of Industry indispensable to the accession to a mechanical hereditary watan.. A similar rule, I imagine, might be advantageously introduced with regard to the Government village schools now about to be established in this collectorate. The whole of the hereditary hackdars might be required to produce a certificate from the school of his village, of having undergone a certain course of instruction, at least such as reading, writing, and accounts ; and this school certificate also might be made an indispensable preliminary to admission into the School of Industry.

“Similar measures might also be introduced for the improvement of agriculture. The necessity of educating the agricultural class in the schools about to be instituted has already been adverted to ; but it occurs to me that a work on the best mode of Indian agriculture might be advantageously introduced as a class book in those schools. The preparation of such a work would require some little time and labour. The best means to be employed for its preparation would appear to be, to require the Mamlatdars of each talooka in each collectorate of the Presidency to furnish a report describing the different crops and methods of agriculture which obtain in them, and

the method of tillage observed for their cultivation. These reports might then be collated, and the advantages and the disadvantages of certain usages pointed out. Some little account of the theory of agriculture, comparing the European and Native system, as shown in the Shastras, might then be entered upon ; and lastly, it might contain a short and simple treatise upon accounts, pointing out in forcible language the necessity of the cultivators themselves keeping a record of their receipts and expenses, without the necessity of having recourse to the Brahmins. After the preliminary inquiries above alluded to have been completed, I would gladly undertake the framing of such a work, which would be in short nothing more than a cultivator's handbook ; and if Government thought the work would likely have the effect which I anticipate, it might be printed in the three vernacular languages of this Presidency, and circulated throughout the Zillahs."

The greatest opposition, however, was raised against Captain Wingate's proposal to make school attendance compulsory on the children of agriculturists. The grounds advanced were several. It was argued, for example, that compulsory education was "opposed to every principle of British Jurisprudence"; that the endeavour of Government should be "to lead and not to drive the people"; that a system of rewards—especially the system of appointing literate persons to Government services—would secure all the benefits of the proposal without any of its disadvantages ; that the agriculturists would not appreciate the advantages of the scheme and would "assuredly look on it as *motee zoolum* "; that "the feelings of the parent as well as the child would be excited against the school, and that any little punishment the Pantojee may deem it necessary to inflict on the young clodpoll will be regarded in the light of 'regular assault and battery' and that every excuse will be devised for successful evasion"; that the cultivating classes use the services of their children from the earliest youth and hence any scheme which deprives their parents of their services would not succeed ; and so on. It is strange that even after the lapse of a century, some of these arguments are still heard in official quarters. How slowly does the world change—particularly the world of the Indian bureaucracy !

Perhaps, the most interesting objection to compulsion was raised by Mr. Seton Karr, the acting Agent at Kolaba. He was of opinion that the fund should be used entirely for the construction of roads and carts, and that no part of it should be spent on education which he did not consider to be an object "of pressing importance". He wrote :—

"My reasons for this are :—First, that the educational requirements of the country are not in such an unprovided condition as to justify the support of schools being included in the measure. Secondly, that on the contrary, the means of acquiring the mechanical art of writing and reading already exist in almost every village, or at any rate within reach of almost every village in the Deccan plain. Thirdly, that compulsory attendance (without

which Captain Wingate thinks the scheme would be useless) is out of the question."

By the time all these opinions were received, the dispatch of the Court of Directors dated 19th July 1854 (i.e. Wood's Education Dispatch) had already been received. The post of the Director of Public Instruction was created and on 1st May 1855, C. J. Erskine, Esq., I.C.S. assumed charge of it. About a year later he had to resign for reasons of health and Mr. E. I. Howard became the Director of Public Instruction in 1856 and continued to hold that post till 1865. Both these officers took keen interest in the proposal, and from 1855 the history of Local Fund is to be found partly in the files of the Revenue Department and partly in those of the Education Department.

Let us first consider the history of the proposal as can be gathered from the records of the Revenue Department between 1855 and 1861.

In 1857, Government has under consideration the introduction of revised rates of assessment into certain villages of Purandar Taluka. Lord Elphinstone, the Governor of Bombay, in approving a draft resolution on the subject, wrote as follows :—

"I am inclined to suggest the addition of a paragraph making it a condition that Government reserve to themselves the power of imposing a school rate, not exceeding half an anna in a Rupee of the Government assessment, if it should establish a school in the village or circle of villages. This provision, I think, ought to be made in all cases where the survey assessment is introduced. Without it, I do not see how it is possible to establish village and district schools."

In pursuance of this suggestion, the following paragraph was added to the Resolution sanctioning the new assessment rates :—

"Government reserve to themselves the power of imposing a school rate, not exceeding half an anna in the Rupee of the Government assessment, should they hereafter resolve on establishing a school in the village or circle of villages."

The Resolution also stated :—

"This provision should be made in all cases where the survey assessment is introduced."

In 1860, Government had under their consideration the revision of assessment in Erandole Taluka of the West Khandesh District. The Commissioner in charge of that District proposed that the levy of an educational cess should be made *compulsory* and that it should not be left on such an uncertain footing. But Government did not accept the suggestion as it was but instead passed the following orders :—

"In future, each Superintendent of Survey, after fixing the assessment of a district, shall add over and above the amount which on other considerations he may deem to be appropriate, one anna on every Rupee of revenue as a contribution to a Local Fund for the improvement of the internal communications of the District.

"Though calculated over and above the ordinary assessment, this levy should be incorporated with it, and should not be shown separately either in the Ryots books or in the village accounts. Thus a Ryot whose field would but for this cess have paid Rs. 10, will now pay Rs. 10-10-0 and the assessment will be so entered in the accounts."

In this way, the additional anna cess was imposed for the first time in the Erandole Taluka under G.R., R.D. No. 954 of 9th March 1860. Similarly, this one anna cess was also imposed on the Sanksee Taluka of the Kolaba Collectorate where the revised assessment was sanctioned on 30th March of the same year (1860).

But a protest against this action of Government was soon raised and it was necessary to reconsider the whole case. Consequently, the question was discussed with several officers of the Revenue Department and Government finally decided to abandon the levy of this extra cess of one anna in a Rupee. The following is the text of the Government order on the subject :—

"1. By the Resolution of the 9th March 1860, relative to the revision of the assessment of the Erandole Talooka in the Khandesh Collectorate, the imposition of an extra rate on every Rupee of assessment fixed under the Survey was authorised for the purpose of forming a local fund for the improvement of internal communications, and it was directed that in future, in fixing the assessment of a district, this extra rate should be added over and above the amount which on other considerations might be deemed appropriate.

"2. On a reconsideration, however, of this subject, the Honourable the Governor-in-Council is of opinion that the legality of these orders is open to considerable doubt and that it is very questionable whether the Government have the authority to levy a special rate for a special purpose, without in the first instance obtaining an Act of the Legislature for the purpose. But it is not on this ground alone His Excellency-in-Council considers the orders in question should be rescinded ; he believes the principle on which the cess is levied to be unsound and objectionable ; for, if the Survey rates can bear the imposition of an addition of $6\frac{1}{4}$ per cent to them it is a proof that they have, as a land tax, been assessed lower than they need have been ; whilst if they cannot bear the addition it would be unjustifiable to impose it.

"3. But in practice the Honourable the Governor-in-Council has reason to know that the Survey Officers are naturally disposed, notwithstanding the instructions to the contrary, in proposing their rates to take into consideration the addition which will have to be made to them for the local fund and that they will fix their regular rates at so much less, so that a part if not the whole of this fund, will be paid out of what would otherwise form part of the

HISTORY OF LOCAL FUND CESS

regular assessment of the district. Whilst therefore the State will be none the richer by the arrangement, our Revenue system will be liable to the imputation of inconsistency.

"4. For the reasons above stated, His Excellency-in-Council doubts the propriety of the orders, and resolves that they be cancelled."

The Road Cess was, therefore, in existence in two talukas of the Province for a period of about six months and the attempt to extend it to other talukas came to an abortive end with the orders of Government quoted above.

I shall now take up the history of the cess as found in the records of the Education Department between the years 1855 and 1861. As I have stated already (Mr. Erskine was the Director of Public Instruction in 1855. Government first consulted him regarding Captain Wingate's proposal to levy a cess for the establishment of village schools. Mr. Erskine had already prepared plans for a large extension of education. It was his idea to have a network of well-graded schools all over the Province and the Government expenditure on education had to be increased considerably in order to give effect to his proposals. He, therefore, welcomed the idea of imposing an educational cess and suggested that the cess should be levied at one anna on every Rupee of land revenue. But soon after the submission of this report, Mr. Erskine had to retire owing to reasons of health.)

He was succeeded by Mr. Howard whose ideals in education were quite different from those of his predecessors. Mr. Howard believed in quality rather than in quantity. He therefore set aside the elaborate scheme which Mr. Erskine had prepared for the extension of education all over the Province, and devoted his attention, in the first instance, to the improvement of the existing institutions. In the meanwhile came the Mutiny of 1857 and the next two years were those of economy and retrenchment rather than of increase in expenditure. In 1859, however, Mr. Howard took up the question of the Educational Cess and requested Government to levy it at an early date in order to enable him to open humble primary schools in villages, without any burden to the Imperial revenues. Government accepted this suggestion and, on 25th September 1860, directed that "they saw no objection to the levy of the reserved six pies in any village where the local officers might find a certified majority of the people in favour of the levy." Accordingly, the cess was levied in some villages of the Province, particularly in the Southern Division.

But within less than a fortnight came the Government orders dated 6th October 1860 quoted above which cancelled the levy of the road cess

on certain grounds. The question therefore arose whether the levy of the educational cess was to be continued or abandoned, especially in view of the fact that all the arguments advanced against the levy of a road cess were also applicable to the levy of an educational cess. Moreover, it was also argued that though the cess was "only to be levied in localities where a certified majority agree to pay it, this provision would form no safeguard to the people, for most of the local native authorities, on seeing the European Educational Inspectors bent on establishing schools, would, in hopes of improving their prospects, exert their influence to their utmost, and by promises to some and threats to others, induce a number of people to sign a paper agreeing to the cess, most of whom would not only be indifferent about the matter, but if left alone would strongly object to payments of any kind."

The whole question was, therefore, reviewed by Government and in G.M., E.D. No. 173, dated 23rd March 1861, it was decided that under all the circumstances that surround the question, it would "be better to postpone the levy of the extra six pies of assessment".

Early in 1861, therefore, the levy of both the road and educational cesses had been abandoned by Government, and no one would have been able to foretell when and how the whole matter would have been decided. But on 25th May 1861, the Secretary of State wrote the following letter to the Government of Bombay which clinched the issue :—

"7. It appears to me to be necessary to come to some definite resolution in regard to both these proposed extra levies, for nothing can be more injurious or prejudicial than uncertainty in regard to their liabilities on the part of those who enter into engagements for the payment of the Government revenue.

"8. The late Court of Directors were opposed on general principles to the levy of extra cesses beyond the amount that might be stipulated in the land revenue engagements. Their objections were based on the confusion of accounts that such a system would introduce and on the door that would be opened for exaction if the levy were separate from that of the land revenue ; while if made with it under settlement engagement so that estates of revenue were under an obligation to pay it, the stipulation would in fact be a release of the agriculturists from any obligation to keep up local roads, accompanied by an undertaking from the Government to devote to the purpose the proportion of the land revenue that might be mentioned, thus needlessly fettering its discretion in the employment of the public resources.

"9. But notwithstanding these objections on general grounds, in the settlement of Western Hindoostan and of the Punjab, the Malgoozars have been required at the time of signing engagements for the land revenue to accede further to a levy for the maintenance of local roads, which has generally

been assessed at 1 per cent on the Jumma, and in some instances also to an educational cess.

" 10. It has not been found difficult to procure the assent of the Malgoozars to these additional stipulations because the settlements have been made on very liberal terms, allowing to them a much larger proportion of the ascertained net rent than had before been left to them.

" 11. The sanction of the Home authorities has not been withheld from settlements of this description when reported for approval, because the report has always been accompanied by assurances that the system was popular and was working satisfactorily.

" 12. But the question opened by your recent proceedings is presented in a different shape. It does not appear that the system of a separate cess, either for roads or for education has anywhere been actually introduced and there has been much uncertainty in the orders issued by you to the Revenue authorities on the subject.

" 13. In the case of the Erandole Talooka above referred to, you confirmed the settlements of your revenue officers with the addition of one anna per Rupee to form a road fund stipulating that it was to be levied as part of the land revenue; but this order was cancelled in the October following, and it does not appear whether the rate was levied for the year or not. In cases in which the land revenue rates may have been increased for this specific purpose, if there be any such, it will be your duty to see that the roads are kept up at the charge of Government. But in all others, as the ryots or rural population will not have been relieved from the obligation of keeping up roads of internal communication, which is a liability attaching to the owners and cultivators of land in all parts of the world, and in India is very generally recognised, it will, in my opinion, be found convenient and of public advantage to commute this obligation for a cess similar to that agreed to in Hindooostan and the Punjab, provided the arrangement can be made acceptable to the people. One anna in the Rupee or $6\frac{2}{3}^*$ per cent is, however, a very heavy rate to levy for such a purpose, and I see no reason why the 1 per cent of Hindooostan should not be found sufficient. The reduction of rate will induce a more ready acceptance of the imposition; but at the time of introducing it will be necessary to make specific arrangements for the levy, and to settle whether it is to be enforced along with and under the same liabilities as the Government Land Revenue or otherwise.

" 14. The success of any attempt to procure the introduction of the principle of levying a cess for the maintenance of roads, must depend of course on the moderation or otherwise of the Government demand for revenue. If you should be of opinion that the rates established by the operations of the late survey are such as to admit of no increase without creating discontent, your district officers should be directed to recur to the obligations above

* Some officials seem to have misunderstood the proposal of the local fund cess. The expression "one anna in a rupee" was understood by some to mean one anna on every fifteen annas of land revenue (which gives $6\frac{2}{3}$ per cent) and the others understood it to mean one anna on every sixteen annas of land revenue (or $6\frac{1}{2}$ per cent). The latter meaning was the one finally adopted by Government.

referred to, and procure the roads to be made by the rural population in their own manner.

“ 15. With respect to the educational cess of half an anna in the Rupee, the right to levy which has been reserved in several recent cases, I observe that you have proposed to enforce it only with the concurrence of the majority of the people. But even subject to this condition, I have great doubt of the propriety of attempting its enforcement, and within the Regulation Provinces of your Presidency I consider that it would not be legal to introduce such a system without a specific legislative enactment.

“ 16. You will of course understand that this objection applies only to an enforced levy, and would not affect a voluntary contribution agreed to by the population of any town or village for the maintenance of educational or any other similar institutions. There is no reason why such should at any time be discouraged by your Government.✓

“ 17. I have accordingly to request your Excellency will reconsider the orders commented on in this dispatch, and that you will communicate the result to me.”

The Government was at once up and doing. The above letter was circulated to the Commissioners of the Divisions who generally agreed with the views contained therein. On two points, however, they expressed a difference of opinion :—

(i) Firstly, it was pointed out that the land assessment in Bombay was a tax and not a rent, much less a rack-rent which left nothing to the cultivator. It was, therefore, argued that a levy of $6\frac{1}{4}$ per cent would not be felt excessive in Bombay.

(ii) Secondly, it was pointed out that it would be unjust to tax the agricultural classes only for local purposes and that it was necessary to levy some tax on other classes also.

Government took up these suggestions and passed their famous resolution in the Revenue Department No. 3115 of 16th September 1863 which authorized the levy of what later on became the Local Fund Cess. The following quotations from the resolution speak for themselves :—

“ It may be assumed that there is a general agreement of all authorities on the following points :—

(i) That there should be Local Fund for the promotion of education in the rural districts, and for the formation and repair of local roads.

(ii) That these Funds should be, in part at least, provided by Local cess imposed in addition to the local assessments where no pledge, expressed or implied, to the contrary has been given, and where such a pledge has been given, deduct, if Government will permit, from the land assessment, or levied by a voluntary rate from the payers of land-tax.

(iii) That the tax-payers should have an influential voice in the disposal of the funds.

6. It remains for Government to consider and decide on the following points :—

(i) Of what shall the local funds consist besides the local educational and road cess on the land assessment ?

(ii) What shall be the rate of that local cess, and the mode of its levy ?

(iii) How shall it be divided between education and roads ?

(iv) How shall the Funds be managed and applied ?

His Excellency the Governor-in-Council would include in the Local Funds, besides the local percentage upon the land assessment, all Toll and Ferry Funds not specially excepted, the Surplus Cattle Pound Fund, and such other items as Government may from time to time direct to be added to the Local Funds, whether especially for education or roads, or to be at the discretionary disposal of the Managing Committee for either purpose.

As to the rate of the percentage at which the educational and road Cess is to be levied, opinions seem to have varied from one per cent to one anna on the Rupee (6 $\frac{1}{4}$ per cent) which latter seems the rate generally approved.

It is observable that since the opinions detailed in the Summaries were recorded there has been such a great fall in the value of money, and such a rise in prices of agricultural produce, that the higher rate is little more than one-third of what it would have been ten years ago if estimated by its pressure on the cultivator, and His Excellency the Governor-in-Council has therefore no hesitation in proposing one anna in the Rupee as the ordinary maximum rate.

As to the mode of levying this cess every Ryot owing a rupee of land Revenue would have to pay one rupee and one anna.

There is nothing to prevent the cess being at once imposed in all surveyed districts, wherever the Government has given no express or implied pledge which would prevent its imposition. This may be done without further legislative enactment in all districts where the new survey rates have been imposed, with an intimation that such a cess would be levied in addition. In unsurveyed districts it will be necessary to have legislative sanction for the impost, and the Revenue Commissioners should be requested to draw up a draft of a bill for the purpose.

Where leases have been given, or a revised assessment introduced for a specific term, the expiration of such lease or term must be awaited before the cess can be imposed.

But it is open to the Revenue Commissioners and Collectors to consider other means of raising funds for the same purpose to which the same objection would not apply, such for instance as a Cart-Tax, as an alternative for Tolls for the maintenance of roads.

As to the division of the cess between education and roads, unless otherwise specially ordered, the proportion should be one-third to education and two-thirds for roads, to repairs of village wells and public buildings, planting road side trees, and other local objects of public utility.

As to the management and application of Funds, His Excellency-in-Council believes success will depend on the degree of freedom allowed to the local managers of the funds.

7. The management will be entrusted to Local Committee which will be of two classes.

(i) District Committees one for each Collectorate, to consist of Collector and Executive Engineer, and Deputy Inspector of Schools *Ex Officio*, and stipendiary servants of Government, and non-stipendiary members in about equal proportions, to be all selected by the Collector, with the approval of the Revenue Commissioner, whose consent should be necessary to the removal of any member once appointed.

(ii) Talooka Committees, one for each Mamlatdar's charge, to consist of the Collector and his Assistant in charge and the Mamlatdar *ex officio*, and any number not less than three of other members to be nominated by the Collector.

8. This Talooka Committee will take the initiative regarding the expenditure of all the Talooka Local Funds, which will include the amount of educational and road cess raised in that Talooka, and any other funds which the Collector may assign to it. In any case of doubt or difference of opinion as regards the assignment of Funds, the decision of the Revenue Commissioner will be final.

9. All other Local Funds raised in the Collectorate will be managed by the Collectorate Committee.

10. The duty of the Talooka Committee will be :—

(i) To estimate as early as possible in the official year the amount available for the next season, and to prepare a scheme for its expenditure both on education and roads.

(ii) This scheme will be revised by the Collectorate Committee and, if necessary, sent back for reconsideration by the Talooka Committee, the Collector's decision in case of difference of opinion being final.

(iii) To appoint officers, and to manage disbursements.

(iv) To draw up at the end of the year a Vernacular report and figured abstract statement showing what has been received and how it has been expended, and to have this report lithographed, and furnish a copy to every village Accountant.

11. The duties of the Collectorate Committee will be :—

(i) To prepare estimates and a scheme of expenditure (similar to those directed above in the case of the Talooka Committees) for all Funds under the exclusive management of the Collectorate Committee.

(ii) To examine and revise estimates and scheme of expenditure of the Talooka Committee.

(iii) To combine both the Collectorate and Talooka schemes and estimates and to submit it for criticism,—the educational portion to the Inspector of Schools, the road portion to the Superintending Engineer,

(iv) To submit the scheme and estimate, with the remarks of the Inspector of Schools and Superintending Engineer, to the Revenue Commissioners, whose decision on every point shall be final.

(v) To appoint officers and manage disbursements as far as its own Funds are concerned.

(vi) To communicate with the Collectorate Committee in the adjacent Collectirates in order to secure uniformity and connection of plan in laying out roads, etc.

(vii) To draw up at the end of the year an English report and figured abstract statement of receipts and disbursements for the whole Collectorate, including Talooka Funds, and forward it to the Revenue Commissioners, the Executive and Superintending Engineers, and Inspector of Schools.

12. The Revenue Commissioners will submit the results as a whole to Government, the Superintending Engineer, and Inspector of Schools will take such notice of what relates to their several departments as they think fit in their annual or other reports, and will take the requisite measures for making the necessary entries in their respective budgets.

13. The mode of making the non-agricultural classes contribute to the objects of the Local Funds will require separate consideration, and the opinions of the more experienced Revenue Officers should be called for by the Revenue Commissioners."

Thus were established the Local Funds of the Province of Bombay. As will be seen, it took Government twenty-four years to decide the issue. But more interesting still are the following important facts that emerge from this narrative :—

(i) The educational part of the Local Fund Cess was originally intended to provide schools in *villages* and *for the children of agriculturists* who paid the cess. Unfortunately, later history will show that these ideas were not consistently kept in view by the authorities concerned.

(ii) When the levy of the Local Fund Cess was reserved by Government at the time of the revision of land assessment, it was stated that Government may levy an educational cess of half an anna in a rupee "if it establishes a school in the village or circle of villages". The obvious presumption is that Government intended to give a direct return to the payees of the Local Fund Cess by establishing a school in (or within easy reach of) every village that paid the cess. Here again, history will show that this condition was forgotten. The levy of the cess became universal and compulsory in 1869 ; but Government did not carry out its corresponding obligation to give a school to every village which pays the cess. Even today, there are hundreds of villages which have been paying the cess for nearly eighty years, and yet have obtained no educational facilities from Government.

(iii) The idea of taxing the non-agricultural classes and to make them contribute to education was brushed aside in 1863—possibly because the question presented intrinsic practical difficulties which required detailed examination. This idea was pressed upon Government again and again and it is regretable to note that even today, the question has remained unsolved. Here is a proof—if proof were needed at all—of the unwillingness of Government to put its taxation policy on an equitable and rational basis.

The effect of the Local Fund Cess on the educational advance of the Province will be traced in the next chapter.

REFERENCES

1. Summary of Correspondence on the subject of Local Fund Cess prepared in 1854.
2. Summary of Correspondence on the subject of Local Fund Cess prepared in 1863.
3. G.R., R.D. No. 3115 of 16-9-1863.
4. A succinct History of the Local Funds of the Bombay Presidency published by Government in 1871.

CHAPTER II

THE EXTENSION AND THE LEGALISATION OF THE LOCAL FUND CESS (1863-1870)

The establishment of the Local Fund in 1863 was hailed in all quarters as a boon to the spread of education in the Province and it even aroused hopes and sentiments which may appear too sanguine to an observer of today. For example, Mr. E. I. Howard, the then Director of Public Instruction, observed that "a season of plenty has succeeded to the seven years scarcity," and almost the same sentiment is expressed in the following passage :—

"From that year (i.e., 1865) primary education was no longer dependent on a capricious assignment of public funds which might increase or decrease according to the accidental favour or disfavour with which the claims of the masses were regarded by higher authority or the oscillations of Indian Administration. The education of the masses was now finally secured by a permanent income which could not be diverted from that branch of instruction without breach of faith and consequently without illegality. It was possible therefore not merely to extend largely primary education, but to lay down a far-sighted and definite course of policy which would not be imperilled by unforeseen financial contingencies or fluctuations of revenue."*

There was very little justification for such enthusiasm. It is true that the establishment of the cess relieved the Department of its *immediate* difficulties, but by this time, the Government primary schools were becoming popular and demands were being made from several places for the opening of new schools ; even the existing schools needed more teachers, more equipment, and better buildings. In 1865, the funds which the Department could command were limited and it was so difficult to obtain additional grants from the Government of India which, in those days of centralization, was the only sanctioning authority. At this critical juncture the establishment of the Local Fund Cess came as a godsend. It placed a big amount at the disposal of the Department and enabled it to meet all its pressing needs in primary education for some years.

A careful study of the G.R., R.D. No. 3115 dated 16th September 1863 will show that the Local Fund Cess could not immediately be levied

* Report of the Indian Education Commission, Bombay Provincial Committee, Vol. I, P. 31.

in all villages of the Province. This Government Resolution directed that the thirty years guarantee to cultivators was not to be violated and that the cess was to be levied only in those villages where Government had "given no express or implied pledge which would prevent its imposition" or where it had been expressly reserved at the time of the last assessment of land revenue. The first attempts of Government, therefore, were concentrated on the extension of the levy of the cess to as large an area as possible.

Although Government orders regarding the levy of the cess were passed in 1863, it was not till 1864-65 that assignments from the cess were made available for education. In that year, only nine districts passed the educational budgets of their Local Fund Cess. The earliest districts to come forward were those of Gujarat (with the exception of Panch Mahals) and the districts of Thana, Kolaba, Khandesh, and Satara in Maharashtra. The Karnatak division was the last to come in the field. In 1865-66, the cess was being levied in thirteen districts out of eighteen. In 1867-68, it was levied in all the districts of the Province, though the levy was confined to a few villages only in some of these. The following brief notes will give an idea of the extension of cess operations between 1863-64 and 1868-69 :—

Northern Division. The Districts of Ahmedabad, Surat, Broach and Kaira universalized the levy of the cess as early as 1864-65. In Panch Mahals, the cess was introduced and levied generally in 1867-68.

Bombay Division. The Kolaba District made the levy of the local cess general in 1864-65.

The Thana District made the levy of the cess general in 1864-65 with the exception of one Taluka where the assessment was not then due for revision.

In Ratnagiri, the cess was levied in the villages of one Taluka in 1866-67; in 1868-69, two more talukas, viz. Chiplun and Dapoli began to pay the cess.

The Nasik District of today had no independent existence in the organisation of the Education Department of those days. Part of the district was included in the Khandesh sub-division (educational) and the remaining was included in the Ahmednagar sub-division (educational).* Hence the history of the levy of the cess in the Nasik District as such cannot be traced from the reports of the D.P.I.

* Vide p. 2 of Appendix A1 to the D.P.I.'s Report for 1869-70.

Central Division. In Poona District, the cess was levied very late. In 1866-67, the Educational Inspector, C.D., reported as under :—

"In the Poona Collectorate, no active measures having been taken to collect the cess, though in many places the villagers have signified to the native district officers their willingness to pay it, matters remain in *status quo*."

In 1867-68 it was levied only in a few detached villages. In 1868-69, the cess continued to be levied in isolated villages though the number of villages paying it increased to some extent.

In the Sholapur District, the cess was first levied in the Purandar Taluka (this was under the Sholapur Collectorate at that time) and a few isolated villages of the Madhe and Barsi Talukas. But in 1866-67 the levy of the cess became general, mainly through the efforts of Mr. Salmon, the Collector.

In the Satara District, the cess was levied generally in all talukas, except Tasgaon, as early as 1864-65. This taluka also paid the cess in 1866-67.

In the Ahmednagar District, the cess was not levied till 1867-68 when Mr. Erskine, the acting Collector, made great efforts and secured the consent of almost all villages to pay the cess. The levy of the cess therefore became almost general in this district since 1868-69, only a few villages declining to pay it.

In the Khandesh Districts (both the Khandesh Districts were combined into one at that time), the levy of the cess was made general as early as 1864-65.

Southern Division. This division was the last to come in the field and avail itself of the system of cess schools.

In the Dharwar District, the cess was levied in one newly surveyed taluka as early as 1864-65. This levy was gradually extended (though the details are not known) and the cess was almost universal in 1868-69.

In the Belgaum District, the cess was levied in a few villages in 1864-65 and its levy became general in 1866-67.

In the North Kanara District, the cess was levied for the first time in 1865-66 and its levy was made general in 1866-67.

In the Bijapur District, the cess was levied for the first time in 1865-66 and its levy was almost general in 1868-69.

It will be seen that nearly eighty per cent of the Province was paying the Local Fund Cess by the end of 1867-68, i.e. within five years of the establishment of the fund. In 1868-69, therefore, the ground

was clearly ready for making the levy of the cess universal throughout the Province.

Government watched these extensions of cess operations with much interest and some anxiety. The idea of the cess was new and there was a fear that the people—who were supposed to be apathetic to education—might resent its imposition. The lessons of the Sepoy Mutiny were still fresh and Government were naturally unwilling to offend the people. Reports were, therefore, called from Government officers in order to ascertain the response of the people to the imposition of the local cess. The following quotations—which are but a sample of others in the same strain—speak for themselves :—

“that this cess is popular with the people, and that they recognize the advantages to be derived from its judicious administration, would appear from the fact that in several places where it has not hitherto been levied the people have come forward and volunteered to pay it.”

—Report of the Educational Inspector, C.D.

for 1865-66, p. 7.

“This year we have had the full benefit of the local cess which has enabled us to open a large number of vernacular schools and to erect school houses in places where they are most urgently required, as mentioned above. The cess is, I believe, paid willingly and the people appear to be fully alive to the benefits to be derived from it; and from the large increase in the number of schools it is evident that they are determined to avail themselves of its benefits to the utmost.”

—Report of the Educational Inspector, N.D.

for 1865-66, p. 45.

“The cess operations have already begun to bring the subject of popular education before both the masses and their rulers in a somewhat different and clearer light than before. The people are beginning to look on schools as necessary popular institutions, and not merely as a part of the administrative machinery of a foreign Government with which they have little or no concern. The cess payers now want something in return for their money, and the school attendance of the agricultural classes is increasing.”

—Report of the Educational Inspector, S.D.

for 1866-67, p. 51.

In these days, this popularity of the cess was ascribed to—

- (a) the lightness of the land assessment,
- (b) the prosperity brought to the Bombay peasants by the inflation of the cotton-trade during the American Civil War, and
- (c) to the desire for education which was fostered among the people by the Government primary schools which were working in the Province since 1826.

But it may be noted here that India did not learn its love of Education from its British Rulers. For centuries past, it has shown a traditional respect for Education and many a social and religious custom has taught people to sacrifice liberally for the spread of learning. In India, an appeal in the name of education has seldom fallen on deaf ears, and the willing payment of the Local Fund Cess is but one of the numerous sacrifices which the people of this country have made in the cause of education. The hoary history of Indian culture teems with such illustrations and to one who is conversant with this aspect of Indian life, the popularity of the cess will be neither surprising nor inexplicable.

Whatever the explanation may be, it is beyond dispute that the imposition of the cess was not unpopular with the people. And, emboldened by this favourable response, Government thought it desirable to universalize its levy. The Bombay Local Funds Act was, therefore, passed in 1869. It had three important aspects : firstly, it legalised the levy of the Local Fund Cess which, until this year, was levied merely on the strength of the executive orders of Government. Secondly, it made the payment of the Local Fund Cess obligatory on all payers of the land assessment in the Province. And thirdly, it created Local Fund Committees consisting of nominated officials to advise Government officers on the utilization of the Fund. It was these Committees that were the forerunners of the District Local Boards of today, and the year 1870-71 was the first in which the income from a universal levy of the educational cess was made available to the Education Department.

This extension of cess operations, however, was not the only problem which Government had to face. Questions regarding the manner of expending its educational part were raised almost as early as 1864-65. The correspondence on the subject shows beyond doubt that the educational cess was intended for primary education only. But unfortunately the Government Resolution establishing the cess left the position rather vague when it said—

“As to the division of the cess between education and roads, unless otherwise specially ordered, the proportion should be one-third *for education* and two-thirds for roads.”

—Para 6 of G.R., R.D. No. 3115 of 16-9-1863.

In those days, public enthusiasm for English education was at its height. Even a smattering knowledge of English fitted one for a white-coated profession, secured him a Government job with a decent income, and earned him an influential position in society. It is not to be wondered, therefore, if the first impulse of many a Local Fund Committee was to utilize the cess for English Education—a position which the

Department could not accept. On the other hand, the Department was eager to spend as large an amount as possible on buildings. But in some places the Local Fund Committees were not in favour of the proposal while, in some others, they were not in favour of the type plans of buildings prepared by the Department. These disputes were especially keen in Gujarat where all work had to be practically suspended. The matter was referred to Government for a decision who examined the whole question in a conference of important officials and issued the following orders :—

- 1. As a general rule, Local Fund for Educational purposes should be restricted in the first instance to the support of Primary, i.e. Vernacular, Education in any district, town, or village, or other easily ascertained division.
- 2. Under the above head should be understood salaries of village school masters and general charges connected with village schools, building and repairs of village school-houses, and allowances to Masters under training for primary schools.
- 3. When the actual requirements of a district as regards primary schools have been supplied as far as possible, but not before, the Local Funds Committee may be at liberty to make assignments to other than primary education, as, for instance, the building of Taluka school-houses, providing the salaries for Anglo-vernacular teachers, etc.
- 4. Until the requirements of a district, town, or village, as regards both primary and Anglo-vernacular Education have been met, Local Committees shall not be at liberty to make assignments to higher or to special education....
- 5. Besides providing funds, as far as possible, for primary Education, it shall be the duty of Local Funds Committees to undertake the buildings and repairs of village school-houses....
- 12. A quota, to be fixed by the Revenue Commissioners should be paid by each Local Fund Committee for the maintenance of extra clerks in the establishments of the Educational Department, rendered necessary for the keeping of accounts, etc....”

—G.R., E.D. No. 684 of 1866.

The following table will give the details of the expenditure from the Local Fund Cess during the four years 1867-68 to 1870-71. The figures for the earlier years are not available but the items of expenditure were the same.

[For Table see next page]

The details of expenditure given in the Table hardly need any comment. One or two special features may, however, be pointed out. The importance attached to school-buildings is obvious and has been inspired by the ideas that prevailed in England in those days. Students of the history of Education in England will recall that the first Parliamentary grant for education was spent on buildings and that for a long time

STATEMENT SHOWING THE EXPENDITURE FROM LOCAL FUND CESS

For the years 1867-68 to 1870-71 (both inclusive)

Year and Division	* Inspection	A. V. High Schools	A. V. Middle Schools	Primary Schools	Training of Teachers	School Buildings and Repairs	Scholarships, Furniture, Books, Prizes, etc.	Pension Fund	Reserve Fund	Total	Remarks
C. D.	2,083	...	10,006	1,04,547	2,481	62,758	25,716	...	...	2,07,591	
N. D.	2,322	4,910	17,274	96,724	6,696	91,630	16,442	...	...	2,35,998	
S. D.	...	...	7,788	44,528	1,376	1,204	11,105	...	...	66,001	
1867-68	4,405	4,910	35,068	2,45,799	10,553	1,55,592	53,263	...	...	5,09,590	
C. D.	2,446	2,102	23,014	1,34,611	3,280	60,003	4,908	...	...	2,30,364	
N. D.	2,596	...	17,086	1,17,274	6,518	10,399	12,170	...	...	1,66,043	
S. D.	1,207	...	7,846	56,045	3,245	55,248	7,244	...	...	1,30,835	
1868-69	6,249	2,102	47,946	3,07,930	13,043	1,25,650	24,322	...	...	5,27,242	
C. D.	2,783	3,360	19,468	1,41,347	3,802	17,761	32,115	...	...	2,20,636	
N. D.	2,993	...	16,440	1,32,778	6,512	38,926	14,582	...	...	2,12,231	
S. D.	1,802	...	8,723	64,540	4,134	2,465	12,313	...	...	93,977	
1869-70	7,578	3,360	44,631	3,38,665	14,448	59,152	59,010	...	...	5,26,844	
C. D.	2,274	593	6,871	1,04,106	2,650	29,892	22,738	...	...	1,69,124	
N. E. D.	1,839	2,749	13,406	80,432	3,014	12,827	4,639	3,017	14,224	1,36,147	
N. D.	3,743	...	19,652	1,33,662	8,890	33,364	10,120	4,623	...	2,13,754	
S. D.	3,383	...	9,587	70,917	6,394	42,011	39,770	2,304	...	1,74,366	
1870-71	11,239	3,342	49,516	3,89,117	20,948	1,18,994	77,267	9,944	14,224	6,93,391	

* *Vide para 12 of G.R., E.D. No. 684 of 1866.*

N.B.—The teachers who were working in cess schools were admitted to benefits of a pension in 1870.

after it, the expenditure on school-buildings occupied a prominent place in the educational expenditure of that country. In England, where the winter is severely cold and where any day might turn rainy at any time, a building is an unavoidable necessity of schools. In India, on the other hand, a school can easily be held if not under a tree at least in temples that exist in all villages and a building is only a luxury that should come decently after other pressing needs are met. But this difference between the climatic and social conditions was ignored and huge amounts were sunk in brick and mortar that would have been more profitably used in providing additional teachers. Here is an instance in which an ignorant imitation of English models has proved disastrous to our cause. Many others will be easily noted if one were to study the history of education in the last century in both the countries side by side. The subject is of intensely absorbing interest to a student of research.

The second noticeable thing is the investments in the Reserve Fund. Government ordered that the unspent balances of the educational cess should be invested in Government Promissory Notes and that the interest thereon should be utilized for payment of scholarship to cess-payers' children. This was done in almost every district. To lock up thousands in this manner in order to give a few tens as scholarships—which could easily have been provided out of current revenues—was a sheer bankruptcy of organisation. The money ought to have been spent on schools, more schools, and still more schools.

But even excluding the expenditure on buildings and reserves, a large balance was still available for expansion of education. The expenditure of Government on primary schools in 1854-55 was Rs. 63,467 and in 1863-64 it reached Rs. 74,828. (This figure includes Sind where the expenditure was probably about Rs. 7,000.) In other words, Government expenditure on primary education in the Province proper increased by about Rs. 4,000 only in ten years! Government was comparatively more liberal in the next eight years as its expenditure on primary education increased to Rs. 1,88,538 in 1870-71, i.e. by Rs. 15,000 every year on an average. But even this "extravagance" of Government paled into insignificance before the huge sums that the Local Fund Cess brought to the Department. In the very first year of administration (i.e. 1864-65) the total budget of local fund (educational) amounted to Rs. 2,59,497, i.e. one-and-a-half times the Government grant then available for primary education! The increase was very rapid and in 1870-71, the cess expenditure on primary education reached the respectable figure of Rs. 6,93,000! It seems the Education Department was born with "Financial stringency" writ large on its forehead and its administration so far had been a continuous struggle against the stony hearts in the Finance Department

of the Government of India. But now the items were changed. Money was showered into the lap of the Department with a prodigality it had never known before. Indeed for a year or two, the Department did not even know what to do with all that wealth, and as we have seen, some of it was even locked up in Government Promissory Notes as a Reserve Fund.

As can be easily anticipated, this increase in the income of the Department was instrumental in bringing about a large expansion of Primary Education. Every year, the D.P.I. reported the establishment of large numbers of new schools and large increases in the number of pupils. The following table which gives the statistics of 1863-64 and 1870-71 in an easily comparable form, will show the advance made during these eight years :—

	<i>Schools</i>	<i>Scholars</i>
<i>1863-64</i>		
C. D.	402	22,046
N. D.	205	13,638
S. D.	95	5,284
Total	<hr/> 702	<hr/> 40,968
<i>1870-71</i>		
C. D.	742	37,668
N. E. D.	430	27,625
N. D.	566	31,945
S. D.	334	18,422
Total	<hr/> 2,072	<hr/> 1,15,660
Net increase	1,370	<hr/> 74,692

N.B.—This table does not include aided schools.

Besides these results in expansion, the other achievements of the Local Fund Cess are not inconsiderable. Reference has already been made to its building programme. It was also helpful in maintaining a few middle schools and in granting scholarships to pupils for higher education. It provided considerable amounts for the training of primary teachers. Over and above the stipends paid to teachers under training, liberal grants were made from Local Funds to primary training colleges themselves. The following figures taken from the D.P.I.'s report for 1870-71 (p. 13) speak for themselves :—

Name of College.	Expenditure.			
	From Govt. Funds.	From L. F. Cess.	Fees.	Total.
Ahmedabad	7,040	9,330	—	16,370
Poona	11,005	3,886	149	15,040
Belgaum	4,925	6,394	70	11,389
Total ...	22,970	19,610	219	42,799

The period of 1863 to 1870, therefore, forms a distinct epoch in the history of the Local Fund Cess. During these years, several questions of a preliminary nature were decided ; the levy of the cess was gradually extended and finally made legal and universal by the Bombay Local Funds Act of 1869 ; the purposes for which the educational part of the Local Fund Cess was to be applied were definitely laid down ; and an expansion of primary education on a scale unknown till then was brought about. In short, this period laid the foundation of our system of primary education and gave a definite direction to all its future growth.

REFERENCES

1. Reports of the D.P.I., Bombay from 1863-64 to 1870-71.
2. Report of the Indian Education Commission, 1882.
3. Report of the Bombay Provincial Committee of the Indian Education Commission, Vol. I.

APPENDIX

Character of the Local Fund Cess in the period of 1863-69

Was it a tax or a voluntary rate?

An academic question of some interest regarding the character of the Local Fund Cess between the years 1863 to 1869 is sometimes raised. The Hunder Commission held the view that the cess was a voluntary contribution of the people till the passing of the Bombay Local Funds Act of 1869,* and this view holds the field today. But it is not generally known that this view of the Commission was challenged even in those days and by no less a person than Mr. K. T. Telang. In his minute of dissent attached to the Report, Mr. Telang says :—

* Cf. "With the sanction of the Secretary of State, the one-anna cess continued to be levied as a voluntary rate until 1869."—Report of the Indian Education Commission, Bombay Province Committee, Vol. I, P. 33.

"There are, indeed, sundry statements in the report to which I cannot give my adhesion at all, or can do so only with many qualifications. Thus the statement that the Local Cess in Bombay was in its inception purely voluntary....involves judgement on non-educational matter which I am not prepared to accept."*

It is to be regretted that Mr. Telang does not argue out the point in detail and give reasons for his view. He must have based it on some evidence which, at this distance of time, is lost to us. Nevertheless, it is still possible to examine the question in some detail and decide the relative validity of these conflicting claims. It is easy to understand the anxiety of the British official to call the local cess a voluntary rate till 1869. Brought up in the English tradition that there should be no taxation without parliamentary sanction, he feels uneasy at the idea that a tax should be imposed upon the people by an executive order of Government. He, therefore, tries to get over the difficulty by calling it a voluntary rate till it is legalised by the Local Funds Act of 1869. In support of this view, it is pointed out that Government consulted the people of a locality and levied the cess only if a certified majority of the people were willing to pay it. It is, therefore, urged that this previous consultation with the people is sufficient to fix the character of the cess as a voluntary rate.

On the other hand, it is argued that this previous consultation with the people was not prescribed by G.R., R.D. No. 3115 of 16-9-1863 and that it was not always done; that even where it was gone through, it was a meaningless formality and that it was so easy for the zealous officers of Government to force the people to give their consent; that the cess was never offered by the people but rather instituted at the suggestion of some officials of Government and as a result of the insistence of the Secretary of State, and that it was merely a device adopted by Government to meet the demands of Education without taxing the Imperial revenues; that the average farmer of those days could hardly have distinguished it from an obligatory tax as it was collected along with land revenue by officers of Government and that once a few prominent people agreed to pay it, the cess was collected from every peasant in spite of his personal inclinations. The question is hardly of any significance now; but a student of history may note that, in practice, the cess was nothing short of a tax imposed by Government though its theoretical position on paper might be capable of a different interpretation.

* Report of the Indian Education Commission, Page 606.

CHAPTER III

A PERIOD OF DIFFICULTIES (1871-1884)

If the year 1863-64 began with great expectations, the year 1871-72 opened under the shadow of a crisis. The Local Fund Cess had raised more ghosts than it could and its inherent difficulties, which had not been felt in the early years of expansion, now began to raise their ugly heads threateningly high. The days of smooth sailing had come to an end and a period of difficulties and disappointments was about to begin.

The history of this period centres round the fundamental problem, viz., *the keen and widespread demand for more schools and more teachers and the almost pathetic struggle of the Department to meet it as far as possible*. It will, therefore, be convenient to divide this discussion into two parts. In the first, I shall discuss the causes that led to a widespread demand for Government primary schools ; and in the second, I shall describe the various attempts made by the Department to meet it.

In order to appreciate the position in 1871-72, it is necessary to go back into history a little and trace the development of primary education in the Province since 1826. At the commencement of British Rule, there was a fairly widespread network of indigenous schools all over the Province and a school teaching the three R's was to be found within easy reach of every village. There is also good evidence to show that literacy was fairly general among the agriculturists. For instance, consider the following passage from the evidence of Mr. Prendergast—a member of the Governor's Council, Bombay (1821) :—

“I need hardly mention what every member of the Board knows as well as I do, that there is hardly a village, great or small, throughout our territories, in which there is not at least one school, and in larger villages more ; many in every town, and in large cities in every division, where young natives are taught reading, writing, and arithmetic.... There is hardly a cultivator or petty dealer who is not competent to keep his own accounts with a degree of accuracy, in my opinion, beyond what we meet with amongst the lower orders in our own country....”

From several Government records of those days, it is possible to have a clear idea of the nature and working of these indigenous schools. The teachers were not generally well-educated nor had they any profes-

sional training. There were no school buildings—the schools being usually held in a local temple, in the house of a local magnate if that were available, or in the house of the teacher himself. There was no definite syllabus, no regular classes, nor any prescribed text-books. Each pupil learnt the subjects of his choice and stayed at the school as long as was necessary or possible ; thus a farmer's son may leave the school after acquiring literacy, a trader's son may stay on to learn accounts, and a Brahmin's son may stay longer still. The curriculum of the schools varied largely according to the qualifications of the teacher and the demands of the local people, but was limited in most schools to reading, writing and accounts. The teachers were paid in cash or kind by the parents of the pupils ; the method of payments varied according to local conditions and was generally suited to the convenience of both parties. The system was far from faultless ; but it had worked smoothly and harmoniously for countless generations and its vitality and hold on the popular mind were simply amazing.

When the British officials began to plan an educational system for this Province in about 1822, these indigenous schools appeared to them extremely inefficient, and unserviceable. In their view, "primary education" meant the education of the masses *in Western Sciences and knowledge* through the medium of the Indian languages. Hence the primary schools planned by them were almost the antipodes of the indigenous schools. For example, in 1840, the syllabus of a primary school included the following compulsory subjects :—

Reading and writing both the Balabodh and Modi scripts, Arithmetic, Algebra, Geometry, Trigonometry, Astronomy, Geography, Natural Sciences, and History of England and India. Besides these, a student was allowed to study the Land Revenue Rules and Civil and Criminal Regulations if he wanted to qualify himself for a post under Government.

The number of classes varied from six to ten and even single-teacher schools taught the full curriculum. Of course, all this seems so frightening in these days. But at that time the ideal of a teacher was to stuff his pupils' heads with as much knowledge as possible, and the efficiency of a school system was measured by the dimensions of the curriculum. Far from being condemned, therefore, the above course of education was actually hailed as a very sample of perfection ; and it is hardly to be wondered if the sponsors of such ideals and methods could not appreciate the advantages of the indigenous schools.

Consequently, Government completely ignored the indigenous schools and directed its energies to the creation of new primary schools

after its heart's desire. The work was slow and costly, because teachers had to be specially trained for three years and paid a decent wage. But the policy was persisted in for about forty years (1822-1862) and a few schools of the above type were established in every district.

On the other hand, the public, and particularly the villagers, did not receive these schools favourably. The idea of the founders of Government schools was that children would simply flock to them in view of their efficiency and the better type of education they provided. But these hopes never materialised, and the Government primary schools definitely continued to be unpopular for a long time. This was partly due to the suspicious attitude with which the people looked at the newly established alien Government ; but mostly it was due to the following features of these schools :—

- (i) Overcrowded curriculum which the people could not appreciate ;
- (ii) Insistence on the use of printed books, slates, etc. which made education comparatively costly ;
- (iii) Insistence on the payment of a cash fee from month to month, which was opposed to the methods of indigenous schools which collected their dues in kind or cash and generally at the harvesting season.

The result was that inspite of the lower rates of fees in Government primary schools, people still continued to send their children to indigenous schools where comparatively higher fees were charged. This came as a surprise to the English officials of the Department and they could not explain it except on the assumption that the people were utterly incorrigible and unappreciative of good education. The following incident narrated by the Educational Inspector, Southern Division, however, will give a good insight into the problem :—

“ Whatever may be thought of these results in other quarters, the people themselves,—the cess-payers—seem to think their boys in our Vernacular Schools are required to learn too much. In a former report I once mentioned that one of the chief men in a large village, after sitting out the school examination, in which he seemed to take some interest, asked me to order the schoolmaster to teach only writing and ciphering, and not to use printed books or maps. This year, at another large village, which has a great deal of good land, and pays much cess, the Kulkurnee told me, that if I made the schoolmaster teach only writing and ciphering the school attendance would be trebled ; that the people did not want what he called “ Sirkaree vidya ”, that “ gawtee vidya ” was enough for them, and as much as their children could be expected to acquire. A village elder and spokesman at another place (a Talooka town, where the Mamlatdar was present at the school examination) made a very animated speech against “ much learning ”, and in the favour of the people's right to be as ignorant as their fathers. He

said Government seemed to wish to make the people clever, and that education was doubtless a proper thing for Europe and Europeans, but that his people preferred to remain as they were. I mention these things in illustration of the general, if not universal, feeling of the people, which must be taken into account in judging of the progress of Government Vernacular Schools and in revising examination standards. I have elsewhere reported that I do not think these standards should be lowered; but I think some compromise should be made to induce boys to attend our schools, who now attend only indigenous schools or none at all."

By 1860 the Department began to realise the situation and the view expressed in the closing sentence of the above passage began to find greater favour in official circles than ever before. The syllabus of the primary schools was considerably toned down in 1865-66 and still further in 1870. The primary schools themselves were organised into three classes—the superior primary schools which taught the full primary course, the inferior schools which taught upto Standard IV with a syllabus that differed only slightly from that of the indigenous schools, and branch schools where instruction was confined to the three R's only. As may be easily anticipated, the inferior schools were the largest in number and the branch schools were the most popular. On the other hand, the people themselves were learning to appreciate the more liberal curriculum of Government primary schools. This feeling first began in the cities and the larger towns and gradually spread to the remoter areas and smaller villages. Both these movements worked in opposite directions and soon succeeded in bridging the wide gulf that formerly existed between the popular conception of a "suitable" education and the Departmental conceptions of efficiency.

Other factors also soon came in to assist this healthy tendency. For political and economic reasons English education was getting extremely popular and as the passing of the primary Standard IV was necessary for admission to a secondary school, the primary schools themselves increased greatly in popularity. Secondly, the imposition of the cess created a feeling among the people that the primary schools conducted by Government were *their* schools for which *they* had paid and whose benefit *they* ought to take to the utmost. Every village that paid the cess, however small, felt that it had a right to claim a Government school and clamoured for the establishment of one. In short, by 1871-72, the Government primary schools caught a definite hold on the popular mind and the demand for their establishment began to come from all quarters with an annually increasing intensity.

As the demand for Government primary schools was thus increasing, the financial position of the Department was getting worse every year,

and a crisis was threatened as early as 1871-72. In his annual report of that year, the then Director of Public Instruction writes :—

"The Educational Inspector, Central Division, reports that within the next few years 286 schools will be required ; Mr. Draper asks for a fixed increase of 10 per cent on his present receipts for opening new schools ; Mr. Fleet speaks of 120 as demanded in the South ; and Dr. Buhler thinks that not much less than 1,200 will ultimately be required for Gujarat."

—Report, 1871-72, PP. 45-46.

"This (Government) grant with the cess income has hitherto been sufficient to ensure a slight but steady yearly increase of schools. But we have now come to a standstill, and so far from extending our operations, it will be necessary, if additional funds are not forthcoming, to close many schools after 1872-73. The Educational Inspector, Northern Division, reports that "the funds are budgetted against to such an extent that not even the ten per cent assigned by you for school-houses will be available". The report of the Southern Division states that "the diffusion of primary education has, at least, through want of funds, come practically to a standstill". Mr. Draper reports that "the charges this year will be considerably in excess of the receipts of the year", and Major Waddington asks for increased grants for Satara, Sholapur, Thana and Ratnagiri."

—Report, 1871-72, P. 45.

In 1872-73, came another blow in the form of the abolition of the cess on excise revenue. Under Section 6 of the Bombay Act III of 1869, the Provincial Government was authorised to levy a cess for local purposes not exceeding one anna in a rupee on the excise revenue of the Province. This cess was credited to the Local Fund of the District and hence one-third of it was naturally available for expenditure on education. This cess on excise revenue was actually levied in 1870-71 and 1871-72. But then an objection was raised by the Government of India. It was argued that every person who bid at an auction for an excise licence knew that he would be required to pay the one-anna cess in addition, and that he took good care to see that he underbid the licence by about one-sixteenth. It was, therefore, argued that the one-anna cess was not an additional collection from the people but really a reduction of the excise revenue (which then went to the Government of India) by one-sixteenth. The Government of India, therefore, abolished this one-anna cess on excise revenue in 1872-73. The consequent loss to the Local Boards was about Rs. 1,20,000 a year and the loss to the District Educational Funds was about Rs. 40,000 a year.

The third difficulty was created by an Order of Government in 1873-74 to the effect that a Taluka should be taken as a unit of local fund expenditure and that the educational part of the cess raised in one taluka should on no account be spent outside that taluka. These orders arose as a result of the problem of the small villages. As pointed

out already, every village that paid the cess had a right to claim a school. But some of these paid such small amounts as their Local Fund cess, that it was impossible to maintain a school for them. Yet Government were desirous to meet this legitimate demand of the villagers as far as possible and to prevent discontent from spreading far and wide. Obviously, the following alternative solutions were open to adoption :—

- (i) Government should bear all the deficit on such schools ;
- (ii) Villages should be suitably grouped together and a common school should be maintained at the cost of the combined Local Funds of all ; or
- (iii) the small villages which could not be so served should be exempted from the payment of cess.

The system that prevailed in 1873-74 took the whole district as a unit. The cess of all villages was pooled up in one fund and schools were opened in such villages in the district where they were most in demand and likely to thrive, irrespective of the amount of cess paid by the villagers. As can be easily seen, the Government orders quoted above were a sort of compromise between the prevailing system and suggestion (ii).

The effect of these orders was to tie down the discretion of the Department in an unnecessary manner. The orders did not, in any way, remove the defect they sought to remedy. On the other hand, they compelled the Department to close many a flourishing school in one taluka and to open others in areas where a taste for them had not yet developed. After all, the adoption of suggestion (i) or even of (iii) would have been much better.

The fourth difficulty was created by the severe famine that affected large tracts of Province between 1876-79. This reduced the income of the cess to a very great extent ; the attendance largely fell down and many a school had to be closed and the teachers put on relief duty.

With these financial, social, and administrative difficulties on one hand and the growing demand for schools on the other, the plight of the Department may easily be imagined. It could live for a time (as it actually did) on the savings accumulated in earlier years when the cess schools had not fully developed. But it had to set about immediately to discover ways and means of securing additional funds.

The first suggestion made in this connection came from the Educational Inspector, S.D., who was of opinion that the Local Boards should contribute one-half of the cess to education. But in view of the other obligations of the Local Boards, it was obviously impossible to accept it.

The second suggestion which the Director of Public Instruction repeatedly pressed upon the attentions of Government was that the Provincial grant to primary education should be substantially increased. He took his stand on the following letter of the Government of India, No. 60, Home Department, dated 11th February 1871 :—

“ 2. The Governor-General-in-Council therefore considers it desirable to explain on what principle it will be permissible to assign, from the sums allotted for Educational purposes, grants-in-aid to schools for primary education, and it will rest with the Local Governments, under the new system of financial control, to determine in what localities and to what extent such grants shall from time to time be made.

3. It has been repeatedly declared by the Secretary of State that it is a primary duty to assign funds for the education of those who are least able to help themselves, and that the education of the masses therefore has the greatest claim on the State funds. The Government of India desires to maintain this view, but the Grant-in-aid Rules have in practice been found so unsuitable to Primary Schools that, except in special cases, such grants-in-aid are seldom sanctioned from the General Revenues. It has, moreover, been repeatedly affirmed that we must look to local exertion and to local cesses to supply the funds required for the maintenance of Primary Schools.

4. These standing orders may seem inconsistent, but they really are not so. The fact is that primary education must be supported both by imperial funds and by local rates. It is not by any means the policy of the Government of India to deny to Primary Schools assistance from Imperial Revenues ; but, on the other hand, no sum that could be spared from those revenues would suffice for the work, and local rates must be raised to effect any sensible impression on the masses. This does not lessen the obligation of Government to contribute as liberally as other demands allow, to supplement the sums raised by local effort. The true policy will be to distribute the imperial funds, so far as such funds are available, in proportion to the amount raised by the people from each district.

5. The amount at present allotted for Primary Education under the several Local Administrations is small, and it is not expected that the Local Governments will in any case diminish it. On the other hand, they will have full liberty to increase the allotment, either from retrenchments in other Services, or from savings in other branches of Education, and it is permissible to assign, from the Provincial Grant, funds in aid of schools mainly supported by contributions from local cesses or municipal rates. A rule, however, should be laid down that the State contribution is not to exceed one-half of the aggregate contributions from all other sources, or one-third of the total expenditure on education in the school concerned.

6. There will be no objection to special exception being made in the case of poor and backward districts, where the population is large, and the rate, owing to the poverty of the people, is insufficient to give the required quota. In such districts, in the interests of civilization and peace, some special efforts have to be made for the extension of primary education, without reference to local contributions.

7. It will also be within the discretion of the Local Governments to assign from the funds for Provincial Services building-grants for School-houses in aid of contributions from the proceeds of local rates, but with the same limitation as to the proportion of the Government grant, and subject to any further rules that may be in force in the Public Works Department."

In 1871-72, the total Government grant to the Local Funds was only Rs. 1,88,538. The grant to each District was a sort of block grant which was credited to the District Educational Fund at the beginning of the year and the Local Fund Committee was at full liberty to allot the money as it liked. According to the terms of the Government Resolution quoted above, the Provincial grant ought "not to exceed one-half of the aggregate contributions from all other sources or one-third of the total expenditure on education in the schools concerned". The Director construed the expression "not to exceed" to mean "should be equal to" and contended that Government grant was far short of the directions given by the Government of India. In 1871-72, he gave the following statistics :—

Division.		Government grant.	Estimated Cess, and fee receipts etc.	Increase claimed.
C. D.	...	70,748	2,10,970	34,737
N. D.	...	46,000	2,43,340	75,670
S. D.	...	35,000	1,39,600	34,800
N. E. D.	...	36,790	1,61,100	43,760
Total	...	1,88,538	7,55,010	1,88,967

Morally the Director was right, but technically his interpretation was not correct and, therefore, his view was not likely to prevail upon the Finance Department. Time and again, the Director of Public Instruction pressed this claim upon the attention of Government. For example, in 1872-73, he wrote :—

"It is hoped that Government will now be enabled to give yearly additions to the grant-in-aid of Vernacular education, until the Government grant reaches the limit fixed by the Government of India, and equals half the amount raised from local sources."

—Report, 1872-73, P. 57.

In 1879-80, the Director of Public Instruction wrote :—

"We need the assistance implicitly promised in No. 60 of Government of India, Home Department, dated the 11th February 1871, which decides that "the state contribution is not to exceed one-half of the aggregate contributions from all other sources, or one-third of the total expenditure on

education in the schools concerned ".... If our Government grants increased, our task would be easier so far as primary education is concerned ; but as it is, I have hitherto failed to obtain any compensation for the increase in fee receipts credited to Provincial Funds, while the Government of India has lately taken away certain postal privileges from the local fund establishments, and ordered that the postage charges of Revenue Officers, when corresponding about local fund matters, should be charged to local funds at the ordinary postage rates which are 10 times more expensive than the rates for official letters. With funds which are gradually being strained to the uttermost, and at a time when the village schools are urgently required and could be efficiently opened at the rate of two or three hundred new schools a year, this change in the postal regulations is a severe blow and diminishes the slight prospect we at present have of extending that primary education which is of fundamental importance to the national progress."

—Report 1879-80, P. 82.

Similar quotations can be given from almost every annual report of the Director of Public Instruction in this period, and it is regrettable to note that even in 1883-84, the ordinary Provincial grant to the District Local Boards on account of Primary Education stood only at Rs. 1,99,860 ! The following table will show the miserable increase of Government grant during this period of thirteen years :—

District.	Government grant in 1871-72.	Government grant in 1883-84.	Net increase.
1. Poona ...	—	13,957	
2. Sholapur ...	—	9,629	
3. Thana ...	—	10,684	
4. Kolaba ...	—	6,479	
5. Satara ...	—	16,340	
6. Ratnagiri ...	—	17,423	
Total for C. D. ...	70,748	74,512	+ 3,764
7. Khandesh ...	—	13,342	
8. Ahmednagar ...	—	16,759	
9. Nasik ...	—	14,751	
Total for N. E. D. ...	36,790	44,852	+ 8,062
10. Ahmedabad ...	—	13,432	
11. Kaira ...	—	9,064	
12. Panchmahals ...	—	8,604	
13. Broach ...	—	527	
14. Surat ...	—	9,637	
Total for N. D. ...	46,000	41,264	- 4,736
15. Dharwar ...	—	11,384	
16. Belgaum ...	—	11,084	
17. Bijapur ...	—	9,068	
18. Karwar ...	—	7,696	
Total for S. D. ...	35,000	39,232	+ 4,232
Grand total for the Province ...	1,88,538	1,99,860	+ 11,322

I shall now turn to the difficulty created by the abolition of the excise revenue in 1872. As has been already stated, the educational funds lost an yearly income of Rs. 40,000 as a result of this measure. The Government of Bombay, therefore, made a representation to the Government of India to reconsider their decision. The case of the Bombay Government was mainly based on two grounds, viz.:—

(i) The Local Boards were actually in receipt of the cess on excise revenue even before the fixation of the block grants to Provinces introduced by Lord Mayo's decentralization Order of 1870, and

(ii) that the loss of this revenue would seriously jeopardise the cause of primary education in the rural areas of the Province.

The Government of India accepted these contentions of the Bombay Government and directed that fixed grants should be given to District Local Boards to compensate them for the loss of the cess on excise revenue. Actually, the fixed grants came to be calculated on the average excise revenue of 1874-75, and some subsequent years and the following grants were sanctioned to educational funds* :—

	District.		Fixed grant to educational fund in lieu of excise cess.
1.	Poona	..	3,375
2.	Sholapur	..	1,171
3.	Thana	..	8,316
4.	Kolaba	..	1,511
5.	Satara	..	660
6.	Ratnagiri	..	1,285
7.	Khandesh	..	4,233
8.	Ahmednagar	..	801
9.	Nasik	..	1,749
10.	Ahmedabad	..	943
11.	Kaira	..	263
12.	Broach	..	473
13.	Surat	..	4,622
14.	Panchmahals	..	15
15.	Belgaum	..	3,053
16.	Dharwar	..	5,219
17.	Bijapur	..	3,196
18.	N. Kanara	..	2,490
<hr/>			
	Total	..	43,375

* The grants given here are at one-third of the total grant sanctioned to each District.

This order of the Government of India, therefore, brought some relief to the Local Funds. The contingency of having to close schools was postponed and actually some expansion also could be achieved. But it is still necessary to point out one injustice that was done to Local Boards. As the excise revenue was elastic and continuously increasing, the result of the fixed compensation grant was to deprive the Local Boards of a share in all the increase in excise revenue. For example, in 1882-83, the excise revenue of the Province totalled Rs. 38,17,000. The one anna income on this would have come to Rs. 2,32,000 and the educational funds would have received about Rs. 78,000. But under the system of fixed grants, the latter had to be content with Rs. 43,375 only! The equitable course would have been to revise the compensatory grant every three or five years; but that was not done. This is but one example out of several in which even the just claims of Local Bodies were ignored by Government. This is why the whole problem of grants to Local Bodies needs a thorough overhauling on a rational basis and why the claims of the Local Bodies need statutory safeguards enforceable in a Court of Law.

The following table has been specially prepared to show the exact position of grants to District Educational Funds in 1883-84.

[For Table see next page]

It is necessary to remember that the real Government grant is only Rs. 1,99,860 as shown in Col. 3. The excise compensation grant of Rs. 43,375 shown under Col. 4 is only *a change in name*. It was formerly shown under Local Funds as the income of the Local Boards. But now it appears as a Government grant. *It did not bring any financial assistance to the Local Boards.* On the other hand, it even did them a good deal of injustice by depriving them of all increase in the excise revenue after 1879-80.

If direct assistance to the District Educational Funds was thus refused, it was still possible for Government to give them some indirect relief. For example, it was suggested to Government as early as 1862 that a local rate should be levied on non-agriculturists for the same purpose as the one-anna cess on land. This proposal was again pressed upon the attention of Government. But for some reason or the other, the problem was not squarely faced. In fact, it remains unsolved even at present.

The second method of indirect assistance lay in separating the Municipal schools from those in rural areas. The problem is of such great importance that I propose to examine it in some detail.

The Municipalities in this Province were established in 1850 but it was not till 1862 that these bodies were allowed to incur expenditure

HISTORY OF LOCAL FUND CESS

S. No.	District	Government grant			Local Receipts				Total expenditure on Primary Education	Government grant due At 1/3rd of the total expenditure	At one-half of the local receipts			
		Ordinary grant	Excise Compensation grant	Total	Cess	Fees	Municipal grants	Miscellaneous						
1	2	3	4	5	6	7	8	9	10	11	12	13		
1 Poona	... Sholapur	... ... ... ... ... ... Total	... ... ... ... ... ... 74,512	13,957 9,629 10,684 6,479 16,340 17,423 16,318	3,375 1,171 8,316 1,511 660 1,385 90,830	17,332 10,800 19,000 7,990 17,000 18,708 1,67,517	30,795 25,858 26,616 20,888 44,239 19,121 47,122	11,805 5,507 7,509 4,345 11,395 6,561 9,480	1,141 3,440 643 1,250 960 1,387 30,851	45,541 35,397 35,717 26,628 57,301 54,486 2,54,970	63,292 39,957 51,581 30,274 69,202 75,255 3,29,561	21,097 13,319 17,194 10,091 23,067 25,085 1,09,853	22,770 17,659 17,858 13,314 28,650 27,243 1,27,485
2 Thana	... Kolaba	... ... ... ... ... ... Total	... ... ... ... ... ... 13,342	13,957 9,629 10,684 6,479 16,340 17,423 44,852	3,375 1,171 8,316 1,511 660 1,385 6,783	17,332 10,800 19,000 7,990 17,000 18,708 51,635	30,795 25,858 26,616 20,888 44,239 19,121 1,49,779	11,805 5,507 7,509 4,345 11,395 6,561 6,880	1,141 3,440 643 1,250 960 1,387 6,144	45,541 35,397 35,717 26,628 57,301 54,486 1,93,255	63,292 39,957 51,581 30,274 69,202 75,255 2,31,560	21,097 13,319 17,194 10,091 23,067 25,085 77,187	22,770 17,659 17,858 13,314 28,650 27,243 96,627
3 Satara	... Ratnagiri	... ... ... ... ... ... Total	... ... ... ... ... ... 16,759	13,957 9,629 10,684 6,479 16,340 17,423 16,500	3,375 1,171 8,316 1,511 660 1,385 16,500	17,332 10,800 19,000 7,990 17,000 18,708 40,173	30,795 25,858 26,616 20,888 44,239 19,121 8,169	11,805 5,507 7,509 4,345 11,395 6,561 1,823	1,141 3,440 643 1,250 960 1,387 830	45,541 35,397 35,717 26,628 57,301 54,486 50,995	63,292 39,957 51,581 30,274 69,202 75,255 65,190	21,097 13,319 17,194 10,091 23,067 25,085 18,902	22,770 17,659 17,858 13,314 28,650 27,243 46,400
4 Kolaba	... Ahmednagar	... ... ... ... ... ... Total	... ... ... ... ... ... 14,751	13,957 9,629 10,684 6,479 16,340 17,423 17,423	3,375 1,171 8,316 1,511 660 1,385 1,385	17,332 10,800 19,000 7,990 17,000 18,708 18,708	30,795 25,858 26,616 20,888 44,239 19,121 18,844	11,805 5,507 7,509 4,345 11,395 6,561 4,865	1,141 3,440 643 1,250 960 1,387 2,000	45,541 35,397 35,717 26,628 57,301 54,486 1,311	63,292 39,957 51,581 30,274 69,202 75,255 27,016	21,097 13,319 17,194 10,091 23,067 25,085 11,920	22,770 17,659 17,858 13,314 28,650 27,243 24,497
5 Satara	... Nasik	... ... ... ... ... ... Total	... ... ... ... ... ... 14,751	13,957 9,629 10,684 6,479 16,340 17,423 17,423	3,375 1,171 8,316 1,511 660 1,385 1,385	17,332 10,800 19,000 7,990 17,000 18,708 18,708	30,795 25,858 26,616 20,888 44,239 19,121 18,844	11,805 5,507 7,509 4,345 11,395 6,561 4,865	1,141 3,440 643 1,250 960 1,387 2,000	45,541 35,397 35,717 26,628 57,301 54,486 1,311	63,292 39,957 51,581 30,274 69,202 75,255 35,761	21,097 13,319 17,194 10,091 23,067 25,085 11,920	22,770 17,659 17,858 13,314 28,650 27,243 20,821
6 Ratnagiri	... ... ... ... ... ... Total	... ... ... ... ... ... 39,232	13,957 9,629 10,684 6,479 16,340 17,423 17,423	3,375 1,171 8,316 1,511 660 1,385 1,385	17,332 10,800 19,000 7,990 17,000 18,708 18,708	30,795 25,858 26,616 20,888 44,239 19,121 18,844	11,805 5,507 7,509 4,345 11,395 6,561 4,865	1,141 3,440 643 1,250 960 1,387 2,000	45,541 35,397 35,717 26,628 57,301 54,486 1,311	63,292 39,957 51,581 30,274 69,202 75,255 35,761	21,097 13,319 17,194 10,091 23,067 25,085 11,920	22,770 17,659 17,858 13,314 28,650 27,243 13,598	22,770 17,659 17,858 13,314 28,650 27,243 13,598
7 Khandesh	... Ahmednagar Total 16,759	13,957 9,629 10,684 6,479 16,340 17,423 17,423	3,375 1,171 8,316 1,511 660 1,385 1,385	17,332 10,800 19,000 7,990 17,000 18,708 18,708	30,795 25,858 26,616 20,888 44,239 19,121 18,844	11,805 5,507 7,509 4,345 11,395 6,561 4,865	1,141 3,440 643 1,250 960 1,387 2,000	45,541 35,397 35,717 26,628 57,301 54,486 1,311	63,292 39,957 51,581 30,274 69,202 75,255 35,761	21,097 13,319 17,194 10,091 23,067 25,085 11,920	22,770 17,659 17,858 13,314 28,650 27,243 20,821	22,770 17,659 17,858 13,314 28,650 27,243 13,598
8 Nasik	... ... ... ... ... ... Total	... ... ... ... ... ... 14,751	13,957 9,629 10,684 6,479 16,340 17,423 17,423	3,375 1,171 8,316 1,511 660 1,385 1,385	17,332 10,800 19,000 7,990 17,000 18,708 18,708	30,795 25,858 26,616 20,888 44,239 19,121 18,844	11,805 5,507 7,509 4,345 11,395 6,561 4,865	1,141 3,440 643 1,250 960 1,387 2,000	45,541 35,397 35,717 26,628 57,301 54,486 1,311	63,292 39,957 51,581 30,274 69,202 75,255 35,761	21,097 13,319 17,194 10,091 23,067 25,085 11,920	22,770 17,659 17,858 13,314 28,650 27,243 13,598	22,770 17,659 17,858 13,314 28,650 27,243 13,598
9 Ahmedabad	... Kaira Total 13,432	13,957 9,629 10,684 6,479 16,340 17,423 17,423	3,375 1,171 8,316 1,511 660 1,385 1,385	17,332 10,800 19,000 7,990 17,000 18,708 18,708	30,795 25,858 26,616 20,888 44,239 19,121 18,844	11,805 5,507 7,509 4,345 11,395 6,561 4,865	1,141 3,440 643 1,250 960 1,387 2,000	45,541 35,397 35,717 26,628 57,301 54,486 1,311	63,292 39,957 51,581 30,274 69,202 75,255 35,761	21,097 13,319 17,194 10,091 23,067 25,085 11,920	22,770 17,659 17,858 13,314 28,650 27,243 13,598	22,770 17,659 17,858 13,314 28,650 27,243 13,598
10 Ahmedabad	... Kaira Total 13,432	13,957 9,629 10,684 6,479 16,340 17,423 17,423	3,375 1,171 8,316 1,511 660 1,385 1,385	17,332 10,800 19,000 7,990 17,000 18,708 18,708	30,795 25,858 26,616 20,888 44,239 19,121 18,844	11,805 5,507 7,509 4,345 11,395 6,561 4,865	1,141 3,440 643 1,250 960 1,387 2,000	45,541 35,397 35,717 26,628 57,301 54,486 1,311	63,292 39,957 51,581 30,274 69,202 75,255 35,761	21,097 13,319 17,194 10,091 23,067 25,085 11,920	22,770 17,659 17,858 13,314 28,650 27,243 13,598	22,770 17,659 17,858 13,314 28,650 27,243 13,598
11 Panchmahals	... Broach Total 8,604	13,957 9,629 10,684 6,479 16,340 17,423 17,423	3,375 1,171 8,316 1,511 660 1,385 1,385	17,332 10,800 19,000 7,990 17,000 18,708 18,708	30,795 25,858 26,616 20,888 44,239 19,121 18,844	11,805 5,507 7,509 4,345 11,395 6,561 4,865	1,141 3,440 643 1,250 960 1,387 2,000	45,541 35,397 35,717 26,628 57,301 54,486 1,311	63,292 39,957 51,581 30,274 69,202 75,255 35,761	21,097 13,319 17,194 10,091 23,067 25,085 11,920	22,770 17,659 17,858 13,314 28,650 27,243 13,598	22,770 17,659 17,858 13,314 28,650 27,243 13,598
12 Panchmahals	... Surat Total 9,327	13,957 9,629 10,684 6,479 16,340 17,423 17,423	3,375 1,171 8,316 1,511 660 1,385 1,385	17,332 10,800 19,000 7,990 17,000 18,708 18,708	30,795 25,858 26,616 20,888 44,239 19,121 18,844	11,805 5,507 7,509 4,345 11,395 6,561 4,865	1,141 3,440 643 1,250 960 1,387 2,000	45,541 35,397 35,717 26,628 57,301 54,486 1,311	63,292 39,957 51,581 30,274 69,202 75,255 35,761	21,097 13,319 17,194 10,091 23,067 25,085 11,920	22,770 17,659 17,858 13,314 28,650 27,243 13,598	22,770 17,659 17,858 13,314 28,650 27,243 13,598
13 Broach	... Surat Total 9,327	13,957 9,629 10,684 6,479 16,340 17,423 17,423	3,375 1,171 8,316 1,511 660 1,385 1,385	17,332 10,800 19,000 7,990 17,000 18,708 18,708	30,795 25,858 26,616 20,888 44,239 19,121 18,844	11,805 5,507 7,509 4,345 11,395 6,561 4,865	1,141 3,440 643 1,250 960 1,387 2,000	45,541 35,397 35,717 26,628 57,301 54,486 1,311	63,292 39,957 51,581 30,274 69,202 75,255 35,761	21,097 13,319 17,194 10,091 23,067 25,085 11,920	22,770 17,659 17,858 13,314 28,650 27,243 13,598	22,770 17,659 17,858 13,314 28,650 27,243 13,598
14 Surat	... ... ... ... ... ... Total	... ... ... ... ... ... 9,327	13,957 9,629 10,684 6,479 16,340 17,423 17,423	3,375 1,171 8,316 1,511 660 1,385 1,385	17,332 10,800 19,000 7,990 17,000 18,708 18,708	30,795 25,858 26,616 20,888 44,239 19,121 18,844	11,805 5,507 7,509 4,345 11,395 6,561 4,865	1,141 3,440 643 1,250 960 1,387 2,000	45,541 35,397 35,717 26,628 57,301 54,486 1,311	63,292 39,957 51,581 30,274 69,202 75,255 35,761	21,097 13,319 17,194 10,091 23,067 25,085 11,920	22,770 17,659 17,858 13,314 28,650 27,243 13,598	22,770 17,659 17,858 13,314 28,650 27,243 13,598
15 Belgaum	... Dharwar Total 11,084	13,957 9,629 10,684 6,479 16,340 17,423 17,423	3,375 1,171 8,316 1,511 660 1,385 1,385	17,332 10,800 19,000 7,990 17,000 18,708 18,708	30,795 25,858 26,616 20,888 44,239 19,121 18,844	11,805 5,507 7,509 4,345 11,395 6,561 4,865	1,141 3,440 643 1,250 960 1,387 2,000	45,541 35,397 35,717 26,628 57,301 54,486 1,311	63,292 39,957 51,581 30,274 69,202 75,255 35,761	21,097 13,319 17,194 10,091 23,067 25,085 11,920	22,770 17,659 17,858 13,314 28,650 27,243 13,598	22,770 17,6

on education. Unlike the Bombay Local Funds Act, 1869, this legislation was only permissive and not obligatory. It was possible, for example, to lay down that a Municipality must contribute 6½ per cent of its income to education. But such a course was not adopted and the Act left the matter entirely to the discretion and good sense of the Municipalities concerned. Actual experience, however, showed that the Municipalities were generally unwilling to contribute liberally to the cause of education, and more often than not, the contributions were meant for English education rather than for Primary.

On the other hand, the primary schools opened by the Department were very largely located in urban or Municipal areas. A school was opened on considerations of public demand and the chances of its successful working and not on the basis of the amount of cess paid by the residents of the locality. The awakening amongst the people and the desire for modern education were largely confined to urban areas at that time, and hence the towns got the full benefit, not only of Government funds from 1826 to 1863, but also of the local cess from 1863 to 1871. The original idea that the Local Fund Cess was intended for opening schools in *villages* and for *the children of agriculturists* was temporarily forgotten in the enthusiasm of rapid expansion with the result that the schools paid for by the agriculturist in the village were largely useful to residents of urban areas and to the children of those who did not pay the Local Fund Cess.

This disparity between the original intention of the Local Fund Cess and its practical administration soon came to the notice of the Department. As early as 1869-70, the Director of Public Instruction pointed out these facts to Government and suggested that the inhabitants of towns should be made to pay for the primary schools in their areas by the levy of a compulsory educational cess on the lines of the one-anna cess in the villages. The proposal was repeated in almost every subsequent annual report of the Director of Public Instruction ; but Government maintained an inscrutable silence and inactivity. In 1879-80, the matter was again poignantly represented by the Director of Public Instruction who began to publish every year the statistics of the Local Fund Cess spent in Municipal areas. The agitation was continued throughout the period under review and an insight into the problem can be obtained by a careful perusal of the statistics for 1883-84 given below :—

1. Number of Municipalities in the Province .. .	121
2. Number of schools maintained in the Municipal areas and shown on the budget of the Local Fund Cess	480

3. Number of pupils in schools mentioned in Col. 2	61,867
4. Fees of pupils in Col. 3	Rs. 51,708
5. Local Fund Cess collected in Municipal areas	„ 15,483
6. Municipal grant to schools mentioned in Col. 2	„ 24,031
7. Miscellaneous receipts	„ 699
8. Provincial grant due to Municipal areas calculated on a population basis	„ 25,899
9. Total assets of schools within Municipal areas (Cols. 4 + 5 + 6 + 7 + 8 + 9)	„ 1,17,820
10. Total expenditure incurred from Local Fund Cess on schools in Col. 2	„ 2,75,958
11. Net loss to the Local Fund Cess on account of schools within Municipal areas (Col. 10— Col. 9)	„ 1,58,138

The above figures will show what a great amount of Local Fund Cess was being spent in Municipal areas. If the schools in towns could be made to depend on their own resources and the Government grant due to them, all this money would have been available for opening new schools and achieving expansion in rural areas. This was exactly what the Director was proposing to Government ever since 1869. But his views were not accepted mainly for the reasons that the step would increase the financial liability of Government, and the question remained unsolved till 1884.*

Matters came to a head with the appointment of the Indian Education Commission and the Report of the Bombay Provincial Committee. At

* Vide the following extract from the D.P.I.'s Report for 1871-72 :—

85. But I have since found, with regret and disappointment, that while His Excellency in Council has promised the Government of India specially to consider the claims made by the Educational Department on behalf of primary instruction in distributing the Provincial Grant, he has also apparently expressed himself as unprepared to take any other measures for extending education. Now two duties are contemplated in the dispatch I have quoted—one to raise school-rates or cesses, and the other to aid them from the Provincial Grant, and a Local Government which avoids raising school-rates will certainly be safe from claims for a grant-in-aid of them, but it will also fail to extend instruction among the masses, and to carry out the policy proposed by the Government of India.

86. I confess I had hoped that, in the two years which have elapsed since the subject was first brought forward, the administrative duty of completing the system of school-rating would have been recognized by Government. I had hoped that before the end of this year each important town would form an educational unit, having its schools supported by the school-rates paid by the townspeople, by any endowments or contributions for the town, and an added third from the public funds. But here we are still administering as if it sufficed for the whole population a fund of which the very first condition (imposed by law) is that it is to be expended on the schools and educational needs of the contributing villages and in the talooka in which it is levied.

long last, Government took up the question and decided to separate the Municipal schools from those on the Local Fund Budgets. In 1884, the constitution of Municipalities was revised by the introduction of the principle of election, and the reduction in official representation on them. The powers of Municipal Bodies were considerably enlarged and it was decided to transfer all schools in their areas under their control and management. Government also undertook to pay the Municipalities a fixed contract grant equal to one-half of their local assets, or one-third of the total expenditure.*

This action, though delayed, brought substantial relief to the Local Funds. The cost of Municipal schools which stood at Rs. 2,75,958 was saved and the assets of these schools which stood at Rs. 1,17,820 were surrendered. In other words, the Local Fund had a balance of Rs. 1,58,138 a year which it could utilize for expansion of primary education in rural areas. But as the actual transfer of schools to Municipalities took place in 1885 the effects of these orders of Government will be noticed in the next chapter.

It will be clear from the foregoing narrative that the whole of the period under review was one of financial difficulties. It is also to be remembered that during it, one of the most severe famines known to history affected large parts of the Province. Consequently, it is futile to look forward to any great expansion of primary education during this period. And yet the results actually achieved are not quite unsatisfactory. For example, compare the following statistics for 1871-72 and 1883-84 :—

Year & Division.					No. of schools.	No. of scholars.
C. D.	...	...	...	...	742	37,668
N. E. D.	...	...	...	...	430	27,625
N. D.	...	...	...	...	566	31,945
S. D.	...	...	...	...	344	18,422
Total for 1870-71					2,072	1,15,660
C. D.	...	...	...	...	1,102	63,778
N. E. D.	...	...	...	...	932	48,077
N. D.	...	...	...	...	942	70,518
S. D.	...	...	...	...	834	69,028
Total for 1883-84					3,810	2,51,401
Net increase					1,738	1,35,741

* Vide G.R., E.D. No. 1204 of 15-7-1884 printed at the end of this chapter.

The funds for this expansion were found, in the earlier years, from the savings accumulated in the period 1863-1871. In the later years, substantial help was received from fees. For example, in 1871-72, the total collection of fees in the primary schools was as under :—

C. D.	..	..	34,289
N. D.	..	..	30,339
N. E. D.	..	..	17,313
S. D.	..	..	11,654
			<hr/>
Total	..	..	93,595

In 1883-84, the fee collections were as under :—

C. D.	..	..	47,121
N. D.	..	..	34,296
N. E. D.	..	..	30,453
S. D.	..	..	42,699
			<hr/>
Total	..	..	1,54,569

In other words, the receipts from fees showed an increase of Rs. 60,974 or nearly 65 per cent in fourteen years, whereas the Provincial grant increased by only Rs. 11,322 or 6 per cent in the same interval. But for this increase—which vouchsafes to the growing popularity of these schools—the expansion seen in this period would have been impossible. It should also be noted that fee receipts are even more than 75 per cent of the Government grant.

The second source of additional income was the increase in Municipal contributions. In 1871-72, these contributions were as under :—

C. D.	..	..	5,014
N. E. D.	..	..	300
N. D.	..	..	2,460
S. D.	..	..	132
			<hr/>
Total	..	..	7,906

In 1883-84, the Municipal grants were as under :—

C. D.	..	..	9,479
N. E. D.	..	..	6,880
N. D.	..	..	5,854
S. D.	..	..	3,930
			<hr/>
Total	..	..	26,143

Of course, it is true that this contribution of the Municipalities is quite inadequate in view of the expenditure incurred in their areas. But it cannot be forgotten that the increase in the contributions of Municipalities—whose indifference to education was often condemned by Government itself—was Rs. 18,237, i.e. more than one-and-half times the increase in Government grant.

Thirdly, it will be noticed that the largest increase in schools and pupils is in Southern Division. Here the results were mainly achieved on the strength of the increase in the Local Fund Cess. During this period the land assessments in the Southern Division were revised and increased with the result that the average income of the Local Fund Cess (Educational) increased by about Rs. 15,000. This was a windfall to the Department at a very critical juncture.

All things considered, we might say that during this period, Government neglected the claims of primary education to receive substantial assistance from Provincial revenues and that the District Education Funds had to shift for themselves and depend for expansion on increases in fees, Municipal contributions, Local Cess, and accumulated reserves or to economize in expenditure. It is a sad tale to read and the Department must be complimented on achieving a good deal of expansion inspite of the chilling policy of Government.

REFERENCES

1. Reports of the Director of Public Instruction, Bombay from 1871-72 to 1883-84.
2. Report of the Bombay Provincial Committee of the Indian Education Commission, Vol. I.
3. Bombay Act IX of 1862.
4. Bombay Act VI of 1873.
5. Papers relating to Municipal Reforms under Lord Ripon.

APPENDIX

(The figures given in this Resolution are inclusive of Sind. Hence they are different from those given elsewhere in this chapter which are for the Province as it exists today.)

No. 1204.

EDUCATIONAL DEPARTMENT.
Bombay Castle, 15th July 1884.

Read—

Letter from the Director of Public Instruction, No. 5589, dated the 20th December 1883.

Letter to the Government of India, Department of Finance and Commerce, No. 854, dated 3rd March 1884.

Letter from the Government of India, Department of Finance and Commerce, No. 1693, dated 18th June 1884.

RESOLUTION.—The system of primary schools controlled by the Department of Public Instruction in this Presidency is maintained at the cost of the Educational Local Funds of the Districts. The assets of these District Local Funds are one-third of the local cess on land levied under Bombay Act III of 1869 and Bombay Act VIII of 1865, together with the fees of the schools and other local contributions, and a fixed sum of Rs. 2,58,900 given for many years past as a grant-in-aid from Provincial revenues. In the early years of the Department, primary schools were most easily established in towns, and thus it has happened that by far the greater part of the primary schools in towns are maintained as "local cess schools" and their receipts and expenditure are included in the District Local Fund Budgets. This position would have presented no difficulty if the local contributions of the towns, which are credited to the District Local Fund, had been proportionate to the local contributions of the villagers in the shape of the educational cess. But the maintenance of this proportion has not been enforced, the municipal communities have not been very ready to make voluntary contributions for schools, and the result is that while the District Municipalities put into the District Educational Funds Rs. 1,14,685 consisting of the fees of the primary schools in municipalities, the local cess levied within municipal limits and contributions from municipal funds, in short, every receipt for which they can claim credit, they draw out from the District Funds in support of their schools no less than Rs. 3,38,232.

2. The difference between these two sums, viz., Rs. 2,23,547 per annum, is a charge on the District Local Funds, to a small part of which only the municipalities have any right. The municipal population being about $\frac{1}{8}$ th of the whole population of the districts its proper share of the Provincial grant, Rs. 2,58,900, is only Rs. 31,211 per annum. If this sum is added to the local assets of the municipalities (Rs. 1,14,685), and the total deducted from the sum drawn by the municipalities from the District Funds, it is found that the municipalities obtain from these funds Rs. 1,92,336 per annum to which they are in no way entitled,

and unjustly withdraw that sum from its proper object, viz., the support of rural primary schools.

3. The Local Funds applicable to rural primary instruction are now wholly appropriated and it is most necessary that this diversion of funds should be redressed. But if the municipalities are required to surrender the difference between the sum which they receive and the sum to which they are entitled, they will have to substitute funds of their own to the yearly amount of Rs. 1,92,336.

4. His Excellency-in-Council has no hesitation in deciding that this surrender must be made. But having regard to the desire expressed by His Excellency the Viceroy-in-Council that the extension of Local Self-Government should not be attended by a large increase of local taxation, he has anxiously considered how this restitution may be prevented from bearing too heavily upon municipal resources.

5. The only practicable expedient appears to be that Government should share in the burthen by providing a share of the funds to be substituted. The total cost of the Municipal primary schools supported by the District Funds has been shown to be Rs. 3,38,232. The principle has been generally accepted that the Government may properly contribute a sum equal to half the local assets, or one-third of the total cost of aided schools managed by local bodies. If this principle be applied, the Government grant to Municipal primary schools will be Rs. 1,12,000 yearly in round numbers. The rest of the cost should be undertaken by the municipalities, viz., Rs. 2,26,232. Their present local assets amount to Rs. 1,14,685. They will therefore have to provide in addition Rs. 1,11,547, a sum equal to about 4 per cent of their present local income.

6. It will be necessary to allow a reasonable time for carrying this adjustment into effect, and His Excellency-in-Council proposes that the necessary steps should be taken in the course of a year after the new District Municipal Act comes into force. At the end of the year each municipality will, as far as is practicable, be restricted to its own assets (including the local cess revenue levied on land within its limits) with the addition of a Provincial grant equal to half of those assets. The new Act empowers Government to enforce on municipalities the duty of making adequate provision for primary schools. The Provincial grant may be fixed for a term of years, subject to the condition that the local assets from all sources must never be less than double the Provincial grant. Some economy may be effected by an improved system of grants-in-aid and by utilizing indigenous schools, but any such saving may probably be turned to profitable use by increasing the number of schools which is not yet nearly adequate to the popular wants. The Municipal primary schools will be placed under the management of a school-board, subject to the supervision of the Department of Public Instruction. //

7. If, however, the municipalities are to be encouraged by a Provincial grant equal to one-third of the cost of their primary schools, it is but equitable that equal favour should be shown to the District Educational Funds. It is true that by the act of restitution above described, these funds will recover a large annual sum, which, as the whole of the present Provincial grant (Rs. 2,58,900), is left at their disposal, will amount to Rs. 2,23,547 per annum. That is to say, the District Boards Funds will surrender Municipal local assets Rs. 1,14,685 and retain for their own uses the balance of Rs. 3,38,232 which they now give to the municipalities. Even thus, however, the Provincial grant of Rs. 2,58,900

will fall far short of one-half of the local assets of the District Funds. These amount to Rs. 8,59,496 and half of that sum Rs. 4,29,748 is the grant it is desired to give. The whole of these additional funds could not, however, be utilized at once.

8. If these proposals can be carried into effect, the Government grants to primary education will have to be increased as follows :—

Difference between present and proposed grant to District Funds	Rs. 1,70,000
Grants to Municipalities	„ 1,12,000
Total	<u>„ 2,82,000</u>

How the funds for this great expansion of primary education by grants-in-aid to local bodies can be provided has been to His Excellency-in-Council the subject of very careful consideration.

9. The Director of Public Instruction has referred in paragraph (1) of his letter of the 20th December to the compensation granted by the Government of India for the abolition of the local cess on excise revenue. The facts are as follows :—

By Bombay Act III of 1869, Section 6, this Government is empowered to levy from every farmer of Saya revenue a cess for local purposes not exceeding one anna in every rupee which is payable by such farmer in respect of such farm. This cess was actually levied after the passing of the Act in the districts under this Government, including Sind. But in 1872 an objection was raised, the cogency of which cannot be denied, that the imposition of the cess involved a reduction of the Imperial Excise revenue by one-sixteenth. The Government of India therefore desired that the levy of the cess on farms of excise should be discontinued. But on a representation by this Government of the serious loss thus occasioned to Local Funds, the Government of India having regard to the fact that from a date antecedent to the system of fixed allotments for provincial purposes the Local Funds of this Presidency had enjoyed the asset which it was now judged necessary to abolish, agreed to add to the Provincial allotment a sum equal to the average income supplied by the cess. The addition finally made was Rs. 1,55,048 and this sum has ever since formed an asset of the District Local Funds.

The grant was fixed on the excise revenue of 1874-75 and some subsequent years. The excise revenue has since that date been very largely augmented under the careful administration of this Government. It is calculated that the part of the excise revenue for 1882-83 on which this Government is empowered by Act III of 1869 to levy a cess of one anna in the rupee amounts to about Rs. 41½ lakhs as shown in the statement appended and the cess on that sum would amount to nearly Rs. 2,60,000 or more than one lakh in excess of the donation made by the Government of India in consideration of its suspension.

10. The Government of India was accordingly asked to raise the donation from Imperial Funds in lieu of the cess on farms of Saya from Rs. 1,55,048 to Rs. 2,50,000 on the understanding that this Government would avail itself of this grant only up to a sum equivalent from time to time to the sum added from

Provincial Revenue to the present grant to Primary Instruction. But to this request the Government of India has felt itself unable to accede, on the ground that the cess was abolished as one which ought not to be levied for local purposes and compensation was given on the basis of past receipts; but no claim to compensation for the increase which would have accrued, had the abolition not taken place, can be admitted. The allotment made on this account was included in the items of receipts in the Statement of Receipts and Expenditure on which the existing Provincial contract was based, and the time has passed for re-opening the question.

11. It therefore remains for consideration how far the objects stated above can be carried out from existing Provincial resources. His Excellency the Governor-in-Council is resolved to apply any funds which may be made available by economy or by the increase of revenue, to the provision of additional grants to local boards for the purposes of primary education, up to the utmost limit which prudence will allow. It is not practicable, however, to provide specifically the whole of the additional grant, Rs. 2,82,000. Nor again could the whole be utilized at once. A beginning will therefore be made with the grant to municipalities of Rs. 1,12,000, for part of which provision has been made in the estimates of 1884-85. As this grant is appropriated in the way proposed above, double the amount of grant allotted will be set free for the District Educational Funds, and primary education in the Municipal towns and in the villages will thus be expanded simultaneously.

12. The Director of Public Instruction should therefore at once enter into communication with the District Municipalities, beginning with those which are already partly constituted by election, on the principle that the present expenditure Rs. 3,38,232 is to be maintained by a Provincial grant of one-third of the whole, the Municipalities furnishing two-thirds from local assets. The Director of Public Instruction should report his proceedings from time to time, stating in each case the amount to be drawn against the new grant. If in any Municipal town the existing provision of primary schools is inadequate and requires to be increased to fulfil the obligation imposed by Section 24 (new) of the Act, a special report of the measures proposed after consulting the Municipal Board should be made to Government.

J. B. RICHEY,

Acting Chief Secretary to Government.

To

The Director of Public Instruction,
The Accountant General, Bombay,
The Financial Department of the Secretariat (with the papers),
The Editors' Table.

ACCOMPANIMENT TO GOVERNMENT RESOLUTION No. 1204,
DATED 15TH JULY 1884.

Statement showing the portion of the excise revenue in the Bombay Presidency inclusive of Sind in the year 1882-83 on which the Government of Bombay is empowered by Section 6 of Act III of 1869 to levy a cess of one anna in the rupee.

<i>Bombay Presidency proper, excluding the Town and Island of Bombay</i>		
Still-head duty on Mowra and Jagri spirit	Rs. 17,87,268	
Tree-tax on toddy trees tapped for sale of toddy and its distillation	” 4,06,400	
Tree-tax on toddy trees tapped for sale of raw toddy only (about)	” 1,25,000	
Import duty on toddy	” 51,538	
Deficiency in minimum guaranteed revenue made good by farmers	” 1,30,564	
Farms for manufacture and sale of spirit and toddy and for drawing and selling toddy	” 11,72,317	
Farms for the use of toddy trees on Government lands	” 2,853	
Licence fee for sale of intoxicating drugs	” 61,233	

Province of Sind

Revenue derived from liquor farms	” 3,32,918	
Revenue derived from farms for the sale of intoxicating drugs	” 87,930	
Total	<u>Rs. 41,58,021</u>	

CHAPTER IV

NARROW IDEALS (1885 - 1901)

With the year 1884-85, a new page is turned in the history of the local fund cess. Formerly, each district had only one educational fund which catered to the needs of both urban and rural areas. But, as seen in the last chapter, the schools in Municipal areas were separated from those in rural areas under the orders contained in G.R., E.D. No. 1204 of 15th July 1884. Consequently, the educational fund of the District Local Board now began to be used for rural areas only and consisted of the one-third part of the Local Fund Cess, the grant paid by Government, and the fees and other miscellaneous receipts from schools in rural areas. Henceforward, it may, therefore, be designated *the Rural Education Fund of the District concerned*.

The main events of the ensuing period of seventeen years between 1885 and 1901 are three :—

- (i) The separation of schools in Municipal areas from those in rural ones and the determination of the terms and conditions on which a grant could be made from the Local Fund Cess to a Municipality within the District concerned ;
- (ii) Raising of the Government grant to the Educational Fund of each District to the extent of half of local assets or one-third of the total expenditure ; and
- (iii) Payment by Government of direct grants-in-aid to private primary schools in rural areas.

We shall now proceed to narrate serially the history of each of these measures of reform and in so doing, shall also refer to the recommendations of the Indian Education Commission (1882-83) regarding them. For, in the period under review, the educational policy of the Government of Bombay was mostly guided by the discussions and recommendations of the Indian Education Commission or the Hunter Commission, as it is popularly called.

**A.—SEPARATION OF SCHOOLS IN MUNICIPAL AREAS FROM
THOSE IN RURAL AREAS**

The Indian Education Commission gave considerable prominence to the loss caused to the Local Fund Cess by the schools in Municipal areas. It observed :—

“But the complaint has been made that the local fund is properly a rural fund and it should be spent on the villages which contribute it, and not in the towns which only contribute a very small proportion of the cess. Several witnesses of great experience have urged that there should be a redistribution of the financial burden of supporting primary schools, which would set free for rural education funds paid by rural Districts and now appropriated by Municipalities. Their view is supported at considerable length by the Bombay Provincial Committee. Other witnesses have in the same sense argued that the time has arrived when Municipal Boards must be compelled to make more adequate provision for primary education out of the funds at their disposal.”

The Commission, therefore, made the following recommendations :—

1. That both Municipal and Local Boards keep a separate school fund.
2. That the Municipal school-fund consist of :—
 - (a) a fair proportion of Municipal revenues, to be fixed in each case by the Local Government ;
 - (b) the fees levied in schools wholly maintained at the cost of the Municipal school-fund ;
 - (c) any assignment that may be made to the Municipal school-fund from the Local Fund ;
 - (d) any assignment from Provincial Funds ;
 - (e) any other funds that may be entrusted to the Municipalities for the promotion of education ;
 - (f) any unexpended balance of the school-fund from previous years.
3. That the Local Board's school-fund consist of :—
 - (a) a distinct share of the general Local Fund, which share shall not be less than a minimum proportion to be prescribed for each Province ;
 - (b) the fees levied in schools wholly maintained at the cost of the school-fund ;
 - (c) any contribution that may be assigned by Municipal Boards ;
 - (d) any assignment made from Provincial Funds ;
 - (e) any other funds that may be entrusted to the Local Boards for the promotion of education ;
 - (f) any unexpended balance of the school-fund from previous years.

These recommendations were accepted by Government and, as already explained, the separation of Municipal schools was ordered in G.R., E.D. No. 1204 of 15th July 1884. Accordingly, the Municipalities of Poona and Dhulia assumed control of primary schools in their areas in 1884-85 ; and in the following year, almost all the Municipalities in the Province, "with some trifling exceptions" did so.

It is not necessary here to analyse the effects of this change upon the Municipalities themselves. But so far as the Local Boards are concerned, the results of the separation of Municipal schools were extremely beneficial. The great loss on account of primary schools in municipal areas which amounted to Rs. 1,58,138 in 1883-84 and which was steadily growing from year to year was saved ; and the amount so released became available for further expansion of primary education in rural areas. The table on next page will show that in the three years between 1883-84 and 1885-86, the number of primary schools in rural areas increased by 453 and that the number of pupils attending them increased by 17,530.

Another point of considerable interest refers to the mutual relation between the educational fund of the Municipalities and the Local Boards. It will be seen from the recommendations of the Indian Education Commission quoted above that the Commission envisaged the payment of grants from Municipalities to Local Boards and the *vice versa*. The report of the Commission does not give any reasons for its recommendation to the effect that Municipalities might contribute to the educational fund of the District Local Board nor does it mention any principles on which such contributions should be made. But the statistics of Local Boards show that this recommendation remained practically a dead letter. The following are the figures of municipal contributions to Local Board funds during the period under review :—

Year	Total amount of contribution of all Municipalities in the Province to the funds of the Local Boards.	Rs.
1886 - 87	774	
1887 - 88	1,300	
1888 - 89	700	
1890 - 91	240	
1891 - 92	335	
1893 - 94	1,726	

(There was no contribution in the remaining years of this period).

HISTORY OF LOCAL FUND CESS

Division	1883-84				1885-86				Increase in schools and pupils in rural areas on account of the separation of Munici- cipal Schools			
	Schools on the Local Fund Budget		In Municipal Areas		Municipal Boards		District Local Boards		Schools		Pupils	
	Schools	Pupils	Schools	Pupils	Schools	Pupils	Schools	Pupils	Schools	Pupils	Schools	Pupils
Central Division	151	17,369	951	46,409	163	17,771	1,035	53,084	84	—	+ 6,675	
North-East ,,	107	12,037	825	36,046	106	11,341	349	35,594	34	—	— 446	
Northern ,,	121	17,890	821	52,628	110	16,451	914	55,714	93	—	+ 3,086	
Southern ,,	101	14,571	733	54,457	112	12,733	985	62,672	252	—	+ 8,215	
Total for the Province	480	61,867	3,330	1,89,534	491	58,296	3,783	2,07,064	453	—	+ 17,530	

On the other hand, very interesting controversies arose regarding the complementary recommendation of the Commission, viz. that Local Boards might make assignments to Municipalities. Being long accustomed to receive considerable assistance from the Local Fund Cess, the Municipalities were naturally unwilling to bear the full cost of primary education in their areas and, hence, they naturally began to clamour for large grants from the Local Fund Cess. Their demands were two-fold :—

(i) Prior to 1884, the one-third part of the Local Fund Cess collected within a District as a whole was credited into the educational fund of the District Local Board which catered both for the Municipal and Rural areas. But with the separation of Municipal schools, the Municipalities began to claim the right to receive the Local Fund Cess raised *within* their areas. This claim was just and had to be admitted. Government, however, continued the old practice of crediting the whole amount of the Local Fund Cess collected in the district into the account of the District Local Board concerned but provided, under Section 47 of the Bombay District Local Boards Act, 1884, that every Local Board must assign to each Municipality within the district an amount equal to not less than two-thirds of the Local Fund Cess collected within the limits of the Municipality concerned. The extent of the grants made under this section can be seen from the figures given in column II of the appendix printed at the end of this chapter.

(ii) But very interesting controversies arose round the second demand of the Municipalities. They pointed out that a large number of persons residing in Municipal areas had lands in villages and paid cess thereon. The District Local Boards, therefore, collected cess from these persons without being called upon to make any provision for the education of their children. The Municipalities, on the other hand, did not get the cess paid by these persons but were called upon to provide education for their children. It was, therefore, argued that a grant from the Local Fund Cess ought to be made to Municipalities on account of the children of the parents who resided in Municipal areas but paid cess in outside villages.

A test case seems to have been made by the Collector of Kolaba. He tried to persuade the six Municipalities in his District to make the necessary financial provision for the primary schools in their areas. And as they would not do so, he proposed to make a grant to them out of the Local Fund Cess. The following resolution of Government on this proposal is very interesting :—

No. 1884

EDUCATIONAL DEPARTMENT,

Bombay Castle, 6th November 1884.

Memorandum from the Acting Commissioner, S.D., No. 3501, dated 3rd October 1884:—

Submitting for consideration a letter from the Acting Collector and President, Local Fund Committee, Kolaba, who forwards copy of correspondence between himself and the Director of Public Instruction regarding the transfer of local cess (Educational) to Municipalities in which he (the Collector) points out that a very large proportion of cess-payers reside within Municipal limits in many cases partly to enjoy facilities for the education of their children; states that he does not know whether the calculation made in the Government Resolution No. 1324, dated the 5th August 1884, is based on the cess paid on lands attached to villages having Municipalities or that paid by residents in Municipality, and observes that he thinks common justice demands it should be the latter, and that the residents in Municipal towns should be credited in adjusting what should be the Municipal burthen with the whole payment of the Educational cess contributed by them, no matter where the land may be situated for which it is paid, as they will otherwise get no return for the cess paid by them. Stating that the maximum amount which the Local Boards can, under the law as it now stands, transfer to the Municipalities is equal to the sum levied on lands situated within Municipal limits; and adding that Mr. Keyser's proposal, therefore, is impracticable.

Resolution.—By Section 48 of the Bombay Act I of 1884 (Local Boards) the Educational one-third of the net proceeds of the local cess is placed at the disposal of the District Local Board with this exception, that the Educational one-third of the cess levied on lands within Municipal Districts and Cantonments included in the area for which such board is established, is to be assigned and paid to such Municipalities and Cantonments and spent by them on educational purposes. Therefore the cess levied on lands outside Municipal and Cantonment limits, the owners or occupants of which reside within Municipal limits, is at the disposal of the Taluka Local Board. This is the correct principle, for it is clear that if local rates, instead of being spent locally for the benefit of the areas for which the Local Board Administration is created, could be claimed by non-resident cess-payers and carried off to be expended in any place where they happen to reside, the object of local funds would be defeated.

2. Nevertheless the case now put may be met in the following way. In Section 30 provision is to be made in certain matters *for* the areas subject to the Boards, not *in* the areas. Section 45 enacts that with the sanction of Government expenditure may be made *for the use or benefit of the said area*, outside that area. By Section 36 Joint Committees may be appointed by District Local Boards and Municipalities for any purpose in which they are jointly interested. If then a District Local Board considers that it will be for the use or benefit of the area under its authority, that is of the rate

or cess-payers of that area, to subsidise, from the funds at its disposal, primary schools established in Municipalities included in that area, it can do so with the sanction of Government by use of the above provisions.

J. B. RICHEY

Acting Chief Secretary to Government.

On receipt of this Government Resolution, the Collector of Kolaba wrote back stating that, even after the use of his personal influence, the six Municipalities in his District had failed to make the necessary financial provision for primary education within their areas. He, therefore, proposed to make large grants to them out of the Local Fund Cess under Section 45 of the Local Boards Act and applied to Government for sanction. In its resolution in the Educational Department No. 1236, dated 27th June 1885, Government pointed out that, in using his personal influence with the Municipalities, the Collector had probably overlooked Section 42 of Bombay Act II of 1884 under which Municipalities could be *compelled* to make adequate provision for primary education which was one of their *obligatory duties*, and observed :—

“ 2. The law as quoted by the Collector (of Kolaba) in first paragraph admits of a subsidy being given by the District Local Fund to the six Municipalities named, if that subsidy is expended for the use and benefit of the area subject to the authority of the Board, i.e. of the population of that area which pay rates. But His Excellency-in-Council is not prepared to sanction a subsidy which represents simply the part of the cost of the Municipal schools which the Municipalities ought to pay and will not.

“ 3. If the Collector wishes Government to sanction a subsidy from the District Local Fund under the last clause of Section 45 he must show what benefit the area under the District Board and especially its cess-paying population will derive from the expenditure of this subsidy on schools in the six Municipal towns. If it is the fact that cess-payers largely reside in these towns for the benefit of education, or send their children to them for that object, it will be easy to show what the value of the interest of the cess-payers in these schools is, as compared with the interest of the town populations, and an equitable contribution can be calculated on these data. The Collector may have already made such a calculation, but he gives no figures, and His Excellency-in-Council must have exact proposals before sanction can be accorded.

“ 4. Government are willing to believe that the Collector's case is that the primary schools in the Municipal towns are placed where they are most accessible to both rural and urban populations and may well be supported by both. If that is his meaning, the Act (Sections 36, 45 and 47) enables him to meet the case presented to him, and he simply has to work out a scheme which His Excellency-in-Council will be glad to consider.”

—G.R., E.D. No. 1236 of 27th June 1885.

The position was thus finally clarified and it was laid down that the only ground on which a Local Board could make a grant to a Municipality was on account of the children from rural areas who might be attending Municipal schools. For instance, a full-fledged primary school in a Municipal area is often attended by children from neighbouring villages for education beyond primary standard fourth. Similarly, the children from a village close to a Municipal town often attend Municipal schools when there is no school in their own village. In such cases, it was just and equitable for the Municipality to claim a grant from the Local Board on account of children so attending, and hence a grant could accordingly be sanctioned under Section 45 of the Local Boards Act. The extent of such grants-in-aid made during the period under review can be seen from the figures in column 12 of the appendix printed at the end of this chapter.

B.—RAISING OF THE GOVERNMENT GRANT TO THE RURAL EDUCATION FUND OF THE DISTRICTS

This brings us to the second important event of this period, viz. the raising of the Government grant to the Rural Education Fund of the Districts till it became equal to half the local assets or one-third of the total expenditure. As we saw in the last chapter, this principle on which a grant to local funds ought to have been regulated was enunciated as early as 1871 but that it had not been acted upon till 1884. Government Resolution No. 1204 of 15th July of this year which ordered the separation of Municipal schools and promised assistance on the above principle to the Municipal Boards on the ground that it was the intention of "His Excellency the Viceroy-in-Council that the extension of Local Self-Government should not be attended by a large increase of local taxation". But it denied a similar assistance to Rural Education Funds on the grounds that the Provincial revenues would not admit of such increase, that it would not be possible for the Local Boards to utilize the increase in the grant even if it was sanctioned, and that the money saved to the Rural Education Funds on account of the separation of Municipal schools was quite enough to begin with. The statistics of 1885-86, therefore, show that the Government grant to the Rural Education Funds was only Rs. 2,64,107 as against their local assets of Rs. 9,11,384 or a total expenditure of Rs. 9,62,564 !

The Hunter Commission did some service to the cause of primary education by emphasizing the need of giving larger grants to local funds. It recommended—

"1. That while every branch of education can justly claim the fostering care of the State, it is desirable, in the present circumstances of the country,

to declare the elementary education of the masses, its provision, extension, and improvement, to be that part of the educational system to which the strenuous efforts of the State should now be directed in a still larger measure than heretofore.

"2. That primary education be declared to be that part of the whole system of Public Instruction which possesses an almost exclusive claim on Local Funds set apart for education, and a large claim on provincial revenues."

Unfortunately, the Commission never defined exactly what it meant by the expression, "*a large claim on provincial revenues*". There were two reasons for this; firstly, the Commission found that conditions varied so materially from province to province that it was next to impossible to lay down any hard and fast rule regarding Government assistance to Local Funds. Secondly, the Commission held the view that it was beyond its terms of reference to consider the financial implications of its proposals and merely contented itself by observing that still greater financial efforts were generally needed both on the part of Government as well as of Local Bodies.

Nevertheless, it is possible to understand the general trend of the opinion of the Commission by a careful analysis of chapters IV and XII of the Commission's Report. It may be stated briefly as under:—

1. The main responsibility for the spread of primary education rests upon the Local Funds and that the Provincial Government plays only a subordinate role by giving suitable grants-in-aid to Local Funds.

2. Local Funds, even when raised by legislative sanction, are really equivalent to funds raised by the people themselves and are, therefore, entitled to claim a grant-in-aid from Government.

3. The levy of the Local Funds does not diminish, but rather increases, the obligation of the State to help those who are least able to help themselves and yet come forward to supply local resources for their education.

4. The ideal to be kept in view by the Provincial Governments in aiding Local Funds was that enunciated in the letter from Government of India, No. 60, Home Department, dated 11th February 1871, viz. that Government grant to Local Funds should be at the rate of half the local assets or one-third of the total expenditure.

It was these four principles that guided the financial policy of the Government of Bombay in so far as primary education is concerned.

In reviewing these and other recommendations of the Commission which were forwarded to them under a resolution of the Government of India, Home Department, No. 10/309, dated 23rd October 1884, the

Government of Bombay pointed out that in anticipation of the report of the Education Commission, a large increase had already been made in the Provincial grant to education under the heads of grants-in-aid, inspection, colleges, training schools, and especially of primary education and that special grants on an unprecedented scale had been given in aid of school buildings. In spite of these recent increases which were by no means inconsiderable, Government desired the Director of Public Instruction to submit "proposals for additional expenditure in those branches of the educational system whereon further outlay by Government" was desirable, and observed :—

"If the proposals of the Director of Public Instruction are approved by His Excellency-in-Council, funds for giving effect to them will be provided from Provincial resources as far as this can be done. If the Provincial revenues cannot supply the whole cost, a claim for assistance will then be made on the Government of India."

In accordance with these orders the Director of Public Instruction submitted detailed proposals in his letter No. 836 of 9th May 1885 in which he made the following recommendations on the subject of grants-in-aid to Local Boards :—

"I propose, therefore, to limit my recommendations to that which seems both feasible and immediately required. But even here I would beg to assure Government in reference to the remark* that (the demand for a very much larger increase of ways and means than I dare apply for is both pressing and effective,) I will take a single instance, the case of the district of Khandesh. In November last the President of the Local Fund Committee addressed Mr. Chatfield on the utterly inadequate provision of funds made for his District, and forwarded a formal resolution of the District Local Board asking for a grant equal to half the local assets. It was further resolved "that the Board is in a position to utilise the whole of such grant immediately, and on the other hand will have to postpone much emergent expenditure and to curtail current charges if the full grant is not given." I should explain that the balance of the district fund on April 1st, 1885, was reduced to Rs. 16,245, that the Provincial grant is only Rs. 17,580, while school fees and the cess receipts are together Rs. 83,040. When the Director intimated that the Provincial grant could not be increased at present, the school budget was revised, and I beg to call special attention to the result. In the first place the whole balance of the fund, invested and otherwise, was estimated as expenditure, so that at the end of this year the District Committee will have to close a large number of schools unless they receive an additional grant. Then Rs. 3,000 entered for additional schools where the cess-payers had long asked for them, were struck out; the whole grant for aiding indigenous schools was eliminated, viz. Rs. 850 :

* Paragraph 11 of Government Resolution No. 1204, dated the 15th July 1884 :
'It is not practicable, however, to promise specifically the whole of the additional grant, Rs. 2,82,000. Nor again could the whole be utilised at once.'

and Rs. 9,030, entered for school buildings to meet popular contributions long since paid by the rayats, were left out. When the year closes, there will no longer be any balance in hand to help current expenditure, and practically the district fund which has done so much to help itself, will be bankrupt. Nor can much assistance be expected from funds liberated by the transfer of primary schools to the Municipalities. Excluding Dhulia there are 19 Municipalities and if they are restricted to the Government grant of one-third of the "present" expenditure Rs. 12,419 would be liberated, but the Municipalities would then have to provide additional funds, which in two cases amount to 62 and 39 per cent respectively of their total income, and in very many cases exceed 20 per cent. It is thus clear that the District Boards must help the Municipalities, and the claim made by the Khandesh Board for an additional Provincial grant of Rs. 26,160 for the present year is one which from every point of view should be conceded. For, their present grant is only 20 per cent of local assets and they are able to spend the increase immediately. The figures which I have given leave out of sight the urgent demand which exists for increasing the pay of the masters which is utterly inadequate, and for providing suitable school-houses. The account given of the present school-houses is sufficient to frame an indictment against the Department and the Boards, were it not truly the case that the Boards have made the very best use they could of inadequate resources. The state of affairs in Khandesh is not peculiar. Other districts are equally near bankruptcy and equally able to spend advantageously a large increase of funds. Dharwar, for instance, has asked for an increase of more than Rs. 50,000. But the account which I have given is sufficient to justify my having drawn the attention of Government to the facts with special reference to their remark in paragraph 11 of Government Resolution No. 1204, dated July 15th, 1884, that the whole grant of Rs. 2,82,000 could not be utilised at once.

"The principle that Local Funds are private resources, which have a claim upon general revenues for a grant-in-aid, was formally admitted by the Government of India in their Resolution No. 63 of February 11th, 1871, was reaffirmed by the Education Commission in Section 215 of their report, but has yet to be applied in practice. I have not therefore got to defend the principle, nor yet need I show that its application must be delayed because the fund cannot be utilised at present. On the contrary in Khandesh, Dharwar and elsewhere large additions to the present grant could be fully employed on one task only, namely, the maintenance and improvement of the existing cess schools, leaving their extension and the aid or extension of indigenous schools untouched. The only limit I need recognize is that imposed by financial considerations.

"All then that I would at present ask Government to do would be to increase the Provincial lump grant, available on the supposition that the Municipal schools are transferred to the contract grant list, from Rs. 2,71,963 to Rs. 3,25,000 by an additional grant of Rs. 53,000 which I could immediately utilise. In fact two districts alone, Khandesh and Dharwar, could at once absorb the whole grant, but I am unwilling to ask Government for more than there seems to be any immediate prospect of my obtaining."

Government considered these proposals in its Resolution of the Education Department No. 1938 of 29th October 1885 and passed orders that exceeded even the "great expectations" of the Director of Public Instruction. It observed :—

"For primary schools under District Local Boards the subsidy now assigned is Rs. 2,72,000. This is very far short of the proportion of Re. 1 for every Rs. 2 of local assets which Government desire to provide. To bring the assignment up to this proportion about 4 lakhs would be needed from Provincial revenues (*see* Government Resolution No. 1204, dated 15th July 1884, paragraph 7).

"The District Boards will now receive as fresh funds the sum which will be relinquished by Municipalities minus any subsidies which they may assign for expenditure in Municipal limits; but Mr. Lee-Warner has shown that this can be at once absorbed and a large demand still remain to be met. Khandesh can at once apply Rs. 26,000, but will hardly get Rs. 10,000 from the Municipalities. The rapid extension of primary schools in Dharwar is checked for want of funds and Rs. 50,000 has been asked for, for that district. In order to give State aid to District Boards in the same proportion as to Municipal, a very large increase in the Provincial assignment must be made, and His Excellency-in-Council considers that the addition made at once should not be less than one lakh.

"But while the Governor-in-Council recognizes the claim of rural districts to a subsidy which in the aggregate shall equal half of the local assets, he must reserve to the Educational Department discretion in the distribution of the subsidy among the districts. Rural taxation is not elastic as are Municipal revenues, and the local educational rates represent an income which is by its nature liable to very slight enhancement. Some amount of latitude must, therefore, be allowed to the Department in dealing with the aid to District Boards. All districts are rated in the same proportion to their income, and Government may, therefore, fairly apply its grant where it is most needed."

It is to be remembered that the figures given above by the Director as well as by the Government are inclusive of Sind. Hence, the increase of grants to the District Local Boards of this province as such must have been somewhat smaller. It is, however, unfortunate that the exact amount of increased grant-in-aid sanctioned to each Local Board in the province cannot now be ascertained.

This grant of one lakh of rupees proved to be the first of a series whose object was to raise the grant of Government to one-half of the local assets. Thus another grant of one lakh of rupees was sanctioned by G.R., E.D. No. 179 of 20th January 1890. Other smaller increases in grants were now sanctioned more frequently, and in his quinquennial report for 1896-97, the Director of Public Instruction made the following observations with regard to the Local Board schools :—

"The object aimed at in this Presidency is to give a grant-in-aid equal to one-third of the total expenditure by each Board, and Government have been able, during the period under review, to make increased assignments by which this object has practically been attained."

Thus the ideal enunciated in 1871 was realised for the first time in 1895—twenty-four years after the despatch of the Government of India which gave it birth, and twelve years after the report of the Indian Education Commission.

C.—PAYMENT OF DIRECT GRANTS-IN-AID BY GOVERNMENT TO PRIVATE PRIMARY SCHOOLS IN RURAL AREAS

In addition to the direct assistance mentioned above, Government gave indirect help to the Rural Education Funds by undertaking to pay direct grants-in-aid to private primary schools in the areas administered by Local Boards. The problem is very interesting and deserves a little detailed narration.

Prior to 1883-84, the Local Boards managed their own schools and did not recognize or give grants-in-aid to primary schools conducted by private agencies. A few such schools conducted mostly by missionaries received grants-in-aid directly from Government. But the large majority of private primary schools were the old village schools known at that time as the "indigenous schools" and hardly any of these received any grants-in-aid, either from Government or from the Local Boards. Thus in 1881-82, the number of indigenous schools in the province was 3,954 with an enrolment of 78,205 pupils, but only 73 of these were aided by the Department. In the words of the Indian Education Commission, the Government of Bombay had hitherto adopted a policy of deliberate "inactivity in regard to the practical encouragement of the indigenous schools".

The Indian Education Commission took up the cause of the indigenous schools in this province and wrote :—

"Admitting, however, the comparative inferiority of indigenous institutions, we consider that efforts should now be made to encourage them. They have survived a severe competition, and have thus proved that they possess both vitality and popularity. Numerous examples furnished by the history of education in Madras, as well as in Bengal, prove the possibility of adapting the indigenous system to modern requirements, and while the cess schools of Bombay will supply a valuable model, the indigenous schools, if recognized and assisted as we shall presently propose, may be expected to improve their methods and fill a useful position in the State system of national education. The introduction of a wider scheme of self-government offers a favourable opportunity for a new departure in the treatment of the elementary indigenous schools of Bombay."

In accordance with this policy, the Commission made the following recommendations :—

“ 1. That where Municipal and Local Boards exist, the registration, supervision, and encouragement of indigenous elementary schools, whether aided or unaided, be entrusted to such Boards ; provided that Boards shall not interfere in any way with such schools as do not desire to receive aid, or to be subject to the supervision of the Boards.

“ 2. That the aid given to elementary indigenous schools be a charge against the funds at the disposal of Local and Municipal Boards where such exist ; and every indigenous school, which is registered for aid, receive from such Boards the aid to which it is entitled under the rules.

“ 3. That such Boards be required to give elementary indigenous schools free play and development, and to establish fresh schools of their own only where the preferable alternative of aiding suitable indigenous schools cannot be adopted.

“ 4. That the officers of the Education Department keep lists of all elementary indigenous schools, and assist the Boards in selecting schools to be registered for aid, and in securing proportionate provision of education for all classes of the community.”

These recommendations were accepted by the Government of Bombay and accordingly the Local Boards began to give grants-in-aid to private primary schools in their areas with effect from the year 1884-85. From this year to the end of 1886-87, the statistics give the figures for Local Board and aided schools together and hence it is not easy to separately estimate the number of schools aided or the amount of grants-in-aid distributed to them. But since 1887-88, the statistics of schools aided from the District Educational Funds are given separately. In the following table, the statistics for the years 1887-88 to 1896-97 are given collectively :—

Year	No. of schools aided from the Local Fund Budget	No. of pupils in such schools	Amount of grants-in-aid paid	Remarks
1887-88	421	10,765	10,505	
1888-89	453	12,190	11,371	
1889-90	463	13,407	12,815	
1890-91	528	14,933	10,963	
1891-92	499	14,364	14,803	
1892-93	521	14,220	21,402	
1893-94	529	13,838	16,908	
1894-95	594	15,247	25,810	
1895-96	691	17,992	15,459	
1896-97	682	18,718	16,031	

In the meanwhile, Government had already begun to give direct assistance to private schools in Municipal areas. It was now claimed that the same assistance should also be given to District Local Boards. Moreover, the financial position of the Local Boards was going from bad to worse in spite of the increases in Government grant and some relief to them was already needed. In 1897-98, therefore, Government decided to pay direct grants-in-aid to private primary schools in rural areas and once again, the work of the Local Boards was restricted to the management of their own schools. The following table gives an idea of the primary schools directly aided by Government in the areas of the Local Boards between the years 1897-98 and 1901-02 :—

Year and Division	No. of schools aided	No. of pupils in such schools	Amount of grant-in-aid paid	Remarks
C. D. ...	145	4,220	Rs. 5,707	
N. D. ...	51	1,752	2,250	
S. D. ...	403	10,632	5,150	
1897-98	599	16,604	13,107	
C. D. ...	139	4,429	5,917	
N. D. ...	42	1,463	1,801	
S. D. ...	430	9,570	6,378	
1898-99	611	15,462	14,096	
C. D. ...	134	3,958	5,899	
N. D. ...	36	1,838	1,759	
S. D. ...	391	10,263	7,667	
1899-00	561	16,059	15,325	
C. D. ...	153	4,834	5,681	
N. D. ...	30	1,538	1,525	
S. D. ...	378	10,580	7,199	
1900-01	561	16,952	14,405	
C. D. ...	149	4,942	5,928	
N. D. ...	28	1,335	1,570	
S. D. ...	382	10,787	7,271	
1901-02	559	17,064	14,769	

So far as regards the narration of the principal events of this period is concerned. Let us now see what expansion of primary education was achieved in this period.

The Indian Education Commission was specially directed to enquire into the problem of primary education. Paragraph 8 of the Government Resolution appointing the Commission runs as under :—

“It is the desire of the Governor-General-in-Council that the Commission should specially bear in mind the great importance which the Government attaches to the subject of primary education. The development of elementary education was one of the main objects contemplated by the Despatch of 1854. Attention was specially directed in that despatch to the question “how useful and practical knowledge, suited to every station in life, might be best conveyed to the great mass of the people, who are utterly incapable of obtaining any education worthy of the name by their own unaided efforts,” and it was desired that “the active measures of Government should be more especially directed for the future to this object.” Although the matter was thus prominently and at the outset pressed upon the attention of the Indian Administrations, there can, His Excellency-in-Council believes, be very little doubt that, owing to variety of circumstances, more progress has up to the present time been made in high and middle than in primary education. The Government of India is not disposed in any way to regret this advance. It would be altogether contrary to its policy to check or hinder in any degree the further progress of high or middle education. But the Government holds that the different branches of Public Instruction should, if possible, move forward together, and with more equal step than hitherto, and the principal object, therefore, of the enquiry of the Commission should be “the present state of elementary education throughout the empire, and the means by which this can everywhere be extended and improved.”

Accordingly, the subject of primary education figures very prominently in the report of the Commission and, lest one forgets, the following two cardinal recommendations of the Commission may again be quoted here :—

“1. That while every branch of education can justly claim the fostering care of the State, it is desirable, in the present circumstances of the country, to declare the elementary education of the masses, its provision, extension, and improvement, to be that part of the educational system to which the strenuous efforts of the State should now be directed in a still larger measure than heretofore.

“2. That an attempt be made to secure the fullest possible provision for, and extension of, primary education by legislation suited to the circumstances of each Province.”

In spite of these recommendations, it is a tragic irony of the situation that the progress of primary education was extremely slow in the period of twenty years following the report of the Commission.

The following table gives the comparative statistics :—

Division	1883—84			1901—02			Increase in	
	No. of schools in rural areas	No. of pupils in such schools	No. of schools maintained by Local Boards	No. of pupils in Local Board Schools	No. of schools aided directly by Govt.	No. of pupils in aided schools	Total No. of schools in rural areas	Total No. of pupils in rural areas
Central Division	951	46,409	1,315	71,769	149	4,942	1,464	76,711
North-East ,,	825	36,040	...	...	...	...	...	...
Northern ,,	821	52,628	1,148	67,499	23	1,335	1,176	68,834
Southern ,,	733	54,457	1,136	58,782	382	10,787	1,518	69,569
Total for the Province	3,330	1,89,534	3,599	1,98,050	559	17,064	4,158	2,15,114
							828	25,580

N.B.—The North-East Division was abolished in 1887—88.

It will be seen from the above figures that between 1883-84 and 1901-02, the primary schools in rural areas increased at the average rate of 46 schools a year and the pupils in rural primary schools increased annually at the rate of 1,422 ! Obviously, a question arises—what is the explanation of this paradoxical situation ?

The answer to this question is three-fold. Firstly, we find that the *Government of Bombay did not faithfully carry out the recommendations of the Commission with regard to the indigenous schools.* As mentioned above, the number of indigenous schools in the province was reported to be 3,954 with 78,025 pupils in 1881-82. Only 73 of these schools were aided in that year. In spite of the strong recommendations of the Commission to give every encouragement to these schools, one finds that in the following twenty years, the number of aided indigenous schools had only increased to 559 with 17,064 pupils ! The Education Department of this Province never really stood for indigenous schools. Prior to 1883-84, it neglected these schools deliberately. It was naturally impossible for the Department to reject the recommendations of so august a body as the Indian Education Commission. Hence it accepted them in theory and negatived them in practice. Had the indigenous schools received real encouragement, it is more than probable that all the 3,954 schools of 1882 might have survived to this day and even many more might have come into existence. But the chilling neglect of Government led to their extinction and at the beginning of this century, the Board schools remained the only agency, worth the name, for the spread of primary education.

The second cause of this failure can be traced to the change in the ideals of the Department. Between 1863 and 1883, the ideal of the Department was expansion first and efficiency next. During this period, we find the Directors of Public Instruction reporting proudly year after year on the increase in the number of schools and pupils. It becomes evident in this period that the Department was eager to show that every increase in its assets was followed by a corresponding rise in schools and pupils. *But this ideal was changed by about 1884 and the Department now began to put efficiency first and expansion next.* For instance, the additional grants sanctioned by Government were no longer spent on expansion. The following quotations regarding the utilization of the grant of Rs. 1,00,000 to Local Boards sanctioned in 1885 speak for themselves :—

Central Division : “Mr. Kirkham reports that the increase to the Provincial assignment was largely employed in improving the Local Board schools and especially in raising the pay of the assistant masters employed in them who had admittedly been underpaid.”

—Report for 1886-87, P. 28.

Northern Division: "Mr. Sahasrabudhe reports that he found time to investigate the cases of all masters under the Local Boards and that so far as funds permitted, he adjusted their pay according to their merits. He also found money for a supply of books and apparatus to schools in want of such appliances and has been successful in procuring wall pictures and in promoting efficient teaching by encouraging object lessons."

—Report for 1886-87, P. 29.

"He (Educational Inspector, N.D.) adds that the additional Provincial grant which the Boards now obtain will enable them to give more attention to gymnastic and scientific apparatus, charts, and wall pictures, museums, and gardens."

—Report for 1889-90, P. 19.

Quotations of this type can be easily multiplied. But the few given above are enough to show how the wind blew and how the increased grants were mainly utilized.

Why is it that this insistence on efficiency began in this period only? The question is capable of several answers. Inspiration from England is one possibility. But a student of education often wonders why this cry for efficiency should originate with the transfer of control to popular bodies and why it should intensify with each successive delegation of powers to the people. Is this merely due to coincidence or is it due to the innate superiority-complex of our bureaucracy and its consequent distrust of all popular administration? The problem really deserves a very careful study and analysis at the hands of educationists.

The third and perhaps the most fundamental cause of this slow progress was *the narrow ideals of the Indian Education Commission itself*. The problem of mass education was vast and it cannot be said that the Commission did not realise it. As it observed :—

"We do not consider that we are called upon to suggest measures for increasing the ways and means of education. We have stated the opinions of witnesses in regard to Municipal obligations, and to the treatment of education at the hands of Local Boards. We have also explained the responsibilities and powers conferred on Local Governments under the scheme of decentralization as now developed."

"The tables given in this chapter will show that various funds contribute more liberally in some Provinces than in others to the cost of education, and the liberality of one part of India may afford an example to Local Governments or to Local Boards elsewhere. We believe that still greater efforts are generally demanded, and in support of this view we need only call attention to the return of institutions and scholars given in General Table (2a) at the end of this Report, which shows that in the area to which our enquiries are confined, containing 859,844 square miles, with 552,379 villages and towns inhabited by 202,604,080 persons, there were only 112,218

schools and 2,643,978 Indian children or adults at schools in 1881-82. The proportion of pupils, both male and female, to the population of school-going age, calculated in accordance with the principles described in Chapter II, is shown below :—

Provinces		Percentage of males	Percentage of females
Madras	...	17.78	1.48
Bombay	{ British Districts	24.96	1.85
	{ Native States	17.85	.93
Bengal	...	20.82	.80
North-West Provinces & Oudh	...	8.25	.28
Punjab	...	12.11	.72
Central Provinces	...	10.49	.44
Assam	...	14.61	.46
Coorg	...	22.44	2.86
Hyderabad assigned Districts	...	17.10	.22
Total for India	...	16.28	.84

"These figures exclude the attendance in schools for Europeans and Eurasians, and in unattached institutions for professional or technical education, but they include that in all other institutions known to the Department in 1881-82. The most advanced Province of India still fails to reach 75 per cent of its male children of the school-going age ; 98 per cent of its female children of that age ; while in one Province, with its total population of both sexes exceeding 44 millions, nearly 92 boys in every hundred are growing up in ignorance, and female education has hardly begun to make any progress. The census returns are equally conclusive in showing the magnitude of the work that remains before education in India can be placed upon a national basis. Taking the male population of Ajmer and of the nine Provinces with which our Report deals, which exceeds 103 millions, about 94 $\frac{3}{4}$ millions are wholly illiterate ; while of the female population, numbering about 99,700,000 not less than 99 $\frac{1}{2}$ millions are returned as unable to read or write."*

In spite of these facts, the Commission advocated the view that the Local Funds should be mainly held responsible for primary education and that the obligations of Government would be fulfilled if it gave them a grant-in-aid equal to half the local assets or one-third of the total expenditure. How ludicrous the recommendation was may be seen from the following figures :—

* Report of the Indian Education Commission, Pp. 583-84.

	Rs.
1. Population of the British Districts of Bombay Province	1,64,60,000
2. Rural population in British Districts at 90% of the above	1,48,14,000
3. Number of children of the school-going age at 12½% of the above	18,51,750
4. Cost of educating these children at Rs. 4 per child. (The actual cost per child in a Local Board school was Rs. 4/7 in 1881-82)	74,07,000
5. Amount of Local Fund Cess and other assets (roughly)	12,00,000
6. Government grant at half the above	6,00,000
7. Total amount available for primary education in rural areas	18,00,000

(N.B.—Figures are inclusive of Sind).

It is easy to see the ideal of universal education could never have been achieved on the basis proposed by the Commission. In fact, the report of the Commission is conspicuously silent regarding the introduction of compulsory education. It only talked of the "fullest possible extension" of primary education—an expression which may mean anything in theory but generally means nothing in practice.

The truth of the matter is that the idea of the Local Fund being mainly responsible for expansion of primary education had outlived its utility and had to be given up. What the situation demanded was a new lead—a proposal that the responsibility of mass education should rest primarily on the Provincial revenues and that the Local Fund should play a useful subsidiary role in order to aid the efforts of Government. It was precisely this lead that was given by Lord Curzon. We shall deal with it in the next chapter.

REFERENCES

1. Report of the Indian Education Commission, 1883.
 2. Report of the Bombay Provincial Committee, 1882, Vol. I.
 3. Reports of the Director of Public Instruction from 1884-85 to 1901-02.
 4. Bombay Acts I & II of 1884 and the rules made thereunder.
-

HISTORY OF LOCAL FUND CESS

APPENDIX
*Statement showing Receipts and Expenditure of the District Local Boards in the Province of Bombay
 from 1884-85 to 1891-92*

Year	Division	Receipts						Expenditure						Total
		Provincial Grant	Local Funds	Fees	Municipal Grants	Miscellaneous	Total	Expenditure on D.L.B. & Government Institutions	Expenditure on aided institutions	Grants under Section 47	Grants under Section 15	11	12	13
1	2	3	4	5	6	7	8	9	10	11	12	13		
1884-85	C.D.	96,527	1,66,284	48,547	8,199	32,549	3,52,106	3,31,791	...	...	...	...	3,31,791	
	N.E.D.	51,760	1,44,821	30,789	7,233	6,123	2,40,726	2,33,149	...	...	...	...	2,33,149	
	N.D.	52,859	1,76,880	35,886	5,704	9,724	2,81,053	3,06,384	...	...	...	...	3,06,384	
1885-86	S.D.	56,496	1,41,417	41,783	3,707	19,558	2,62,961	2,67,509	...	...	...	...	2,67,509	
	C.D.	2,57,642	6,29,402	1,57,005	24,843	67,954	11,36,846	11,38,833	...	...	...	...	11,38,833	
	N.E.D.	93,543	1,60,585	39,656	1,664	42,828	3,38,276	2,75,656	...	...	...	...	2,626	2,78,282
1886-87	N.D.	54,771	1,36,547	23,674	2,707	3,398	2,21,097	1,97,286	...	...	...	...	5,174	2,02,460
	S.D.	51,306	2,60,199	25,311	1,144	15,369	3,53,329	2,40,193	...	...	...	...	1,175	2,41,887
	C.D.	64,487	1,53,636	35,635	390	8,641	2,62,789	2,35,566	982	982	982	982	3,387	2,39,935
1887-88	N.E.D.	2,64,107	7,10,987	1,24,276	5,905	70,236	11,75,491	9,48,701	...	...	...	...	1,501	12,362
	N.D.	1,44,197	1,64,476	32,760	201	51,818	3,93,452	3,07,225	...	...	...	...	17,559	3,25,256
	S.D.	77,228	1,61,447	20,735	573	3,045	2,62,028	2,62,383	...	...	...	...	7,344	2,09,727
1888-89	C.D.	68,917	2,02,976	26,216	...	6,594	3,04,737	2,99,702	...	...	...	...	7,316	3,09,924
	N.E.D.	79,062	1,55,556	36,419	...	10,443	2,81,480	2,59,577	...	...	...	...	4,419	2,64,497
	N.D.	3,69,404	6,83,435	1,16,164	774	71,900	12,41,697	10,68,887	...	...	...	...	3,879	11,09,404
1889-90	S.D.	1,35,547	2,45,154	39,880	1,300	9,587	4,31,468	4,11,622	5,592	...	...	...	867	16,884
	C.D.	1,00,788	2,56,537	32,079	...	7,436	3,96,840	3,63,990	1,588	...	...	...	9,214	3,79,697
	N.E.D.	1,30,560	2,44,341	48,439	...	30,136	4,53,476	3,72,144	3,325	1,037	1,037	1,037	7,576	3,84,081
1890-91	N.D.	3,66,855	7,46,032	1,20,388	1,300	47,159	12,81,784	11,47,756	10,505	10,505	10,505	10,505	6,809	13,98,713
	S.D.	1,30,560	2,44,341	48,439	...	30,136	4,53,476	3,72,144	3,325	1,037	1,037	1,037	6,809	13,674
	C.D.	1,00,788	2,56,537	32,079	...	7,436	3,96,840	3,63,990	1,588	...	...	...	16,884	4,34,965

HISTORY OF LOCAL FUND CESS

73

	C.D.	1,34,365	2,40,297	40,442	700	6,746	4,22,550	3,94,117	4,639	1,287	13,615	4,13,718
	N.D.	8,0,604	2,44,333	32,821	...	3,209	3,60,967	3,73,472	2,062	4,708	9,062	3,89,304
	S.D.	1,25,969	2,01,919	53,266	...	22,922	4,04,076	3,63,388	4,610	1,257	8,388	3,77,643
1888-89	C.D.	3,40,938	6,86,549	1,26,529	700	32,877	11,87,593	11,30,977	11,371	7,252	31,065	11,80,665
	N.D.	1,34,433	2,53,587	41,027	...	6,663	4,35,710	3,92,135	4,876	2,323	13,710	4,13,044
	S.D.	9,1,334	2,43,557	33,140	...	4,853	3,72,884	3,85,584	2,819	4,473	10,598	4,03,374
	C.D.	1,24,338	2,02,217	53,503	...	19,090	3,99,148	3,69,954	5,30	1,063	10,951	3,87,088
1889-90	C.D.	3,50,135	6,99,361	1,27,670	...	30,606	12,07,742	11,47,673	12,815	5,849	35,169	12,03,506
	N.D.	1,54,347	2,53,179	41,352	...	6,837	4,55,715	4,11,055	5,178	2,116	14,495	4,32,874
	S.D.	1,25,040	2,43,416	30,760	...	5,397	4,04,613	3,70,160	2,656	6,187	10,612	3,89,595
	C.D.	1,50,426	2,03,445	54,295	240	19,455	4,27,861	4,10,386	3,149	1,110	7,341	4,21,996
1890-91	C.D.	4,29,813	7,00,040	1,26,407	240	31,689	12,88,189	11,91,585	10,963	9,413	32,448	12,44,465
	N.D.	1,70,297	2,65,209	41,739	95	8,196	4,85,536	4,22,558	6,777	3,782	13,859	4,46,976
	S.D.	1,35,349	2,41,762	30,440	...	4,601	4,12,152	4,02,121	3,014	7,947	14,365	4,27,477
	C.D.	1,82,417	2,07,283	55,893	240	21,849	4,67,682	4,30,948	4,982	987	10,633	4,47,550
1891-92	C.D.	4,88,063	7,14,254	1,28,072	335	34,646	13,65,370	12,55,627	14,803	12,716	38,857	13,22,003
	N.D.	1,72,747	2,65,901	42,494	...	6,979	4,88,121	4,29,362	6,579	2,513	24,348	4,62,832
	S.D.	1,23,504	2,41,861	30,986	...	5,295	4,01,646	3,85,540	10,020	8,891	12,507	4,16,958
	C.D.	1,77,318	2,10,163	56,859	...	23,245	4,67,385	4,96,025	4,803	1,350	9,719	5,11,987
1892-93	C.D.	4,73,569	7,17,925	1,30,359	...	35,519	13,57,352	13,10,927	21,402	12,754	46,574	13,91,747
	N.D.	1,68,874	2,74,377	43,183	1,726	9,354	4,97,514	4,48,564	6,107	3,138	16,271	4,74,680
	S.D.	1,41,613	2,50,733	31,994	...	5,777	4,30,117	3,98,586	5,432	8,410	13,721	4,26,149
	C.D.	1,66,751	2,12,210	59,203	...	32,408	4,70,572	4,67,316	5,369	1,170	9,026	4,82,881
1893-94	C.D.	4,77,238	7,37,320	1,34,380	1,726	47,539	13,98,203	13,14,466	16,908	12,718	29,018	13,83,110
	N.D.	1,81,604	2,74,889	42,689	...	4,681	5,03,763	4,85,018	7,165	3,832	14,559	5,10,574
	S.D.	1,47,963	2,05,586	32,068	...	5,728	3,91,345	4,19,479	12,252	9,585	11,747	4,53,065
	C.D.	1,84,887	2,16,194	61,667	...	26,920	4,89,668	4,72,056	6,393	2,848	11,704	4,93,001
1894-95	C.D.	5,14,454	6,96,669	1,36,324	...	37,329	13,84,776	13,76,553	25,810	16,265	38,010	14,56,638

HISTORY OF LOCAL FUND CESS

APPENDIX—(Contd.)

Year	Division	Provincial Grant	Local Fund	Receipts				Expenditure				Total
				Fees	Municipal Grants	Miscellaneous	Total	Expenditure on D.L.B. & Govern-ment Institutions	Expenditure on aided institutions	Grants under Section 47	Grants under Section 15	
1	2	3	4	5	6	7	8	9	10	11	12	13
1895-96	C.D.	2,03,266	2,72,636	42,062	6,288	5,24,252	4,88,691	5,762	4,604	14,534	5,13,591	
	N.D.	1,54,861	2,94,932	32,333 15,834	4,86,014 4,96,330	4,57,140 4,57,784	7,681	2,016 1,705	9,767 1,791	11,850 14,791	4,80,773 4,81,961
	S.D.	1,99,903	2,14,361	66,232	... ... ... ... 26,000	15,06,596	14,03,615	15,459	16,076	41,175	14,76,325
1896-97	C.D.	1,85,191	2,47,944	42,101	4,491	4,79,727	5,08,304	6,085	3,835	14,759	5,32,983	
	N.D.	1,58,793	2,49,476	32,698	... ... 6,772	4,47,739	4,41,430	1,997	9,954	12,122	4,65,503
	S.D.	1,83,011	1,95,365	66,692	... ... 13,407	4,58,475	4,59,034	7,949	1,630	11,290	4,79,903
1897-98	C.D.	5,26,995	6,92,785	1,41,491	... ... 24,670	13,85,941	14,08,768	16,031	15,419	38,171	14,78,389
	N.D.	1,71,500	2,75,138	40,133	2,466	4,89,237	4,72,181	...	4,480	14,658	4,91,319	
	S.D.	1,45,382	2,54,461	31,174	... 8,732	2,024 4,60,560	4,33,041 4,57,032	...	9,197 1,797	12,024 12,453	4,53,196 4,71,282	
1898-99	C.D.	4,85,959	7,48,352	1,35,305	... ... 13,222	13,82,838	13,61,188	...	15,474	39,135	14,15,797
	N.D.	1,74,264	2,90,117	39,884	1,967	5,06,232	4,69,697	...	5,320	15,360	4,90,377	
	S.D.	1,44,935	2,52,566	29,933	... 55,797	2,212 12,238	4,29,646 4,51,690	4,33,302 4,41,206	...	9,179 1,419	11,630 11,526	4,54,111 4,54,151
1899-1900	C.D.	4,92,899	7,52,638	1,25,614	... ... 16,417	13,87,568	13,44,205	...	15,918	38,516	13,98,639
	N.D.	1,75,240	1,99,992	38,302	... ... 7,107	791 2,554 4,41,230	4,14,325 3,28,017 4,36,451	...	4,840 7,423 1,527	15,320 10,294 11,526	4,89,808 4,47,697 4,49,504
	S.D.	1,48,809	1,49,739	26,915	... 50,893	...	...	...	13,790	37,140	13,87,009

HISTORY OF LOCAL FUND CESS

75

CHAPTER V

A PERIOD OF PROSPERITY (1901 - 1921)

The most eventful period in the history of primary education in this Province is that of the twenty years between the conference of the Directors of Public Instruction convened by Lord Curzon in 1901 and the transfer of the Department of Education to popular control in 1921 in pursuance of the Government of India Act, 1919. This period has three remarkable features. To begin with, *it is an era of ceaseless and ever-intensifying political and social struggles.* The Bengal Partition and Swadeshi Movements, the Morely-Minto Reforms, the heroic attempts of the late Mr. Gopal Krishna Gokhale to make Government accept the idea of compulsory education, the World War, the Montague-Chelmsford Reforms, the Non-co-operation Movement—these are too recent and too well-known events to need any detailed narration in this book. Suffice it to say, that they led to a tremendous awakening among the masses and created that social background which is necessary for rapid expansion of Primary Education.

Secondly, *this period marks the birth of the idea of compulsory education.* In 1910, Mr. Gopal Krishna Gokhale moved a resolution in the Central Legislative Council that a Commission should be appointed by the Government to enquire into the practicability of the introduction of Compulsory Primary Education. He withdrew this resolution on an assurance from Government that the whole question would be carefully examined. In 1911, however, Mr. Gokhale introduced his bill for the introduction of compulsory education ; but, unfortunately, it was thrown out by the Council in 1912. Mr. Gokhale's work was taken up by the late Mr. Vithalbhai Patel who, in 1918, successfully piloted through the Bombay Legislative Council his Compulsory Education Act for Municipal Areas. This Act led to considerable activity in favour of compulsion throughout India. Thus in 1919, the Punjab Primary Education Act, the United Provinces P. E. Act and the Bengal P. E. Act were passed. In 1920, three more Compulsory Education Acts were passed, viz. the Central Provinces P. E. Act, the Madras Elementary Education Act, and the City of Bombay P. E. Act. All this activity in favour of the extension of primary education and the introduction of compulsion gave an entirely new outlook to the problem of finance. Hitherto, it had been generally held that the burden of financing

primary education must be mostly borne by Local Funds. But it was now realised that, even if a substantial portion of the children within 6 to 11 years of age were to be provided with educational facilities, the cost would be so high that it would be entirely out of the reach of Local Boards and that the problem would not be solved unless very large assignments were made from Provincial revenues.

Thirdly, *this period shows an unprecedented rise in the total cost of primary education in the rural areas of the Province.* For instance, in 1901-02, the total expenditure on primary education in D.L.B. areas was only Rs. 13.92 lakhs. But in 1921-22 it was as high as Rs. 77.28 lakhs ! This increase was due to three causes which may be stated as under in order of their importance :—

- (i) Raising of the salary of primary teachers.
- (ii) Raising the percentage of trained teachers (because trained teachers were generally entitled to a higher rate of salary) ; and
- (iii) A large increase in the number of schools and pupils.

Needless to say, most of the increase came from Provincial Revenues. In 1901-02, the total grants paid to all the District Local Boards in the Province (both recurring and non-recurring) was Rs. 5.29 lakhs whereas the total grants paid in 1921-22 were Rs. 67.07 lakhs. In other words, the Provincial grant increased at an average rate of about Rs. 3 lakhs a year during the period under review ! Such an increase is quite unparalleled in the history of Primary Education in the Province.

For convenience of discussion, it is necessary to divide this period into three sub-periods as under :—

- (i) 1902-03 to 1907-08—the main work in this period was achieved under the lead given by Lord Curzon.
- (ii) 1908-09 to 1913-14—the main work done in this period was the indirect result of the great work of Mr. Gopal Krishna Gokhale.
- (iii) 1914-15 to 1921-22—the main achievement in this period was improvement in the salaries of primary teachers.

Let us study the history of each of these periods separately.

A.—FIRST SUB-PERIOD

(1901-02 to 1907-08)

By 1902, the plight of most of the District Educational Funds had become pitiable. This was due to several reasons. In the first place,

the province was visited by a very severe epidemic of plague and famine between the years 1896 and 1902. This considerably affected the income of the Local Boards as well as the attendance in primary schools. Secondly, the small increase in Government grants had led to financial difficulties in many a board. In some, all expansion had to be held up ; in others, schools had actually to be closed down for want of funds. The Director of Public Instruction reported that "between the years 1896 and 1902 the opening balances of the District Local Boards in the three divisions of the Presidency had fallen from Rs. 6,24,002 to Rs. 3,20,121 and as many as 360 schools had recently been closed for want of funds".*

In 1901-1902 the following six Boards had to budget with huge deficits :—

Boards	Amount of deficit Rs.
Ahmednagar	10,205
Ahmedabad	62,365
Kaira	54,154
Broach	25,491
Panch Mahals	2,304
Bijapur	5,600

It was clear that a very critical stage had been reached in the history of primary education in rural areas and that unless additional Government grants were made immediately available, the cause of mass education would have received a great set-back.

It was at this crisis that Lord Curzon gave a new direction to Government policy in the matter of educational grants to Local Boards. His diagnosis of the disease as well as his proposals for a cure can be best stated in his own words :—

"How, then, do matters stand in respect of the extension among the masses of primary education ? The population of British India is over two hundred and forty millions. It is commonly reckoned that fifteen per cent of the population are of school-going age. According to this standard there are more than eighteen millions of boys who ought now to be at school, but of these only a little more than one-sixth are actually receiving primary education. If the statistics are arranged by Provinces, it appears that out of a hundred boys of an age to go to school, the number attending primary schools of some kind ranges from between eight and nine in the Punjab and the United Provinces, to twenty-two and twenty-three in Bombay and Bengal. In the census of 1901 it was found that only one in ten of the male population, and only seven in a thousand of the female population were literate. These figures exhibit the vast dimensions of the problem, and show how much remains to be done before the proportion of

*Report of the D.P.I. for 1906-07, p. 1.

the population receiving elementary instruction can approach the standard recognised as indispensable in more advanced countries.

|| "While the need for education grows with the growth of population, the progress towards supplying it is not now so rapid as it was in former years. In 1870-71 there were 16,473 schools with 607,320 scholars; in 1881-82 there were 82,916 with 2,061,541 scholars. But by 1891-92 these had only increased to 97,109 schools with 2,837,607 scholars, and the figures of 1901-02 (98,538 schools with 3,268,726 scholars) suggest that the initial force of expansion is somewhat on the decline; indeed the last year of the century showed a slight decrease as compared with the previous year. For purposes of exact comparison some allowances have to be made for differences in the basis of the statistics, but their broad effect is not altered by these modifications. Nor has the rate of growth of primary schools kept pace with that of secondary schools, in which the number of scholars has considerably more than doubled during the last twenty years. It may be said indeed that the expansion of primary schools has received a check in recent years from the calamities of famine and plague; and it is further impeded by the indifference of the more advanced and ambitious classes to the spread of primary education. These, however, are minor obstacles, which would soon be swept away if the main difficulty of finding the requisite funds for extending primary education could be overcome.

"The expenditure upon primary education does not admit of exact statement, since the cost of the instruction given in the lower classes of secondary schools is not separately shown, nor is the expenditure on the administration and inspection of primary schools capable of separate calculation. But the direct outlay from public funds upon primary schools stands as follows:—

	1886-87	1891-92	1901-02
	Rs.	Rs.	Rs.
From Provincial Funds	16,00,239	13,43,343	16,92,514
From Local and Municipal Funds	26,07,624	35,86,208	46,10,387
Total	42,07,863	49,29,551	63,02,901

"On a general view of the question the Government of India cannot avoid the conclusion that *primary education has hitherto received insufficient attention and an inadequate share of the public funds. They consider that it possesses a strong claim upon the sympathy both of the Supreme Government and of the Local Governments, and should be made a leading charge upon Provincial revenues*; and that in those provinces where it is in a backward condition, its encouragement should be a primary obligation. || The Government of India believe that Local Governments are cordially in agreement with them in desiring this extension, and will carry it out to the limits allowed by the financial conditions of each province."*

*Resolution on Indian Educational Policy, dated 11th March 1904, paras. 15-18.

In accordance with this policy, the Government of India sanctioned the following educational grants to Bombay Province :—

Rs. 7,77,770 :—This *non-recurring* grant was sanctioned in 1902-03 in order to compensate the Government of Bombay for losses caused by plague and famine.

Rs. 6,00,000 :—This was a *recurring* grant sanctioned towards the end of 1901 for primary and secondary education.

Rs. 5,00,000 :—This was also a *recurring* grant sanctioned in 1905-06 for primary education only.

Let us now see what part of each of the above grants was given to the District Local Boards of the Province (excluding Sind) and the principles on which the additional grants were distributed among the various districts.

1. Out of the first non-recurring grant of Rs. 7,77,770, a sum of Rs. 3,85,771 was given as relief to the following District Local Boards :—

District	Amount given as relief	
		Rs.
1. Poona	..	21,771
2. Satara	..	7,000
3. Sholapur	..	9,600
4. Nasik	..	22,000
5. Nagar	..	62,900
6. Khandesh	..	35,000
7. Ahmedabad	..	59,500
8. Surat	..	13,000
9. Broach	..	40,000
10. Panch Mahals	..	7,000
11. Kaira	..	43,000
12. Dharwar	..	28,000
13. Belgaum	..	9,000
14. Bijapur	..	28,000
<hr/>		
<hr/>		Total Rs. 3,85,771

2. The recurring grant of Rs. 6,00,000 became available for expenditure for the first time in 1902-03. But owing to several difficulties, it could not be distributed to Local Boards in that year only. There was also no urgency about the matter as most of the Local Boards were given substantial relief in 1902-03 as described in the preceding paragraph.

Out of this grant, a sum of Rs. 2,61,357 a year was distributed to the District Local Boards of the Province with effect from 1st September 1903. In sanctioning these grants, Government observed as under :—

"Under the law, Local Boards and Municipalities are bound to make adequate provision for primary education within their respective areas, and in order to assist them in meeting the obligation grants equal to one-third of the total expenditure are given from Provincial Revenues. With their resources much crippled by famine and plague the Boards have done much for primary education, and it seems to Government that further development and extension of primary education in this Presidency is not at present possible, unless the resources of the Boards are supplemented by additional grants from Provincial Revenues. His Excellency the Governor-in-Council is therefore pleased to direct that from 1st September next the limit of aid to Municipal and Local Boards on account of primary education should be raised from one-third to one-half of the total expenditure. // The grants calculated according to the above rule on the Board's expenditure on primary education in 1902-03 will entail on Provincial Revenues an additional expenditure of Rs. 4,57,370, of which Rs. 3,09,254 will be on account of Local Board schools and Rs. 1,48,116 on account of Municipal Schools.* The increased grants† are sanctioned, and the Accountant-General should be requested to pass them from 1st September, next until further orders in lieu of the existing grants, and debit the additional expenditure to the grant of six lakhs made by the Government of India. The grants now sanctioned will be revised at the discretion of Government according to the financial conditions prevailing from time to time, and it must be distinctly understood that they are not made to relieve the Boards of any part of their existing expenditure on primary education, but for the express purposes of developing and extending it. If the grant now made is not

*Figures are inclusive of Sind.—J. P. Naik.

†The actual increases in grants sanctioned by Government were as under :—

District	Amount of increase in grant sanctioned				
	Rs.				
1. Poona	8,402
2. Satara	18,460
3. Sholapur	3,355
4. Ahmednagar	12,455
5. Nasik	12,463
6. Khandesh	33,153
7. Ahmedabad	19,321
8. Kaira	25,194
9. Broach	27,822
10. Surat	21,082
11. Thana	10,207
12. Dharwar	28,381
13. Belgaum	11,809
14. Bijapur	12,307
15. Kanara	5,566
16. Ratnagiri	1,945
17. Kolaba	9,435
Total					<u>Rs. 2,61,357</u>

N.B.—The grant to the Panch Mahals District was already Rs. 18,665 although its total expenditure was only about Rs. 30,000. This high grant was fixed on account of the poverty of the District and for the same reason, it was now continued although it was more than half the total expenditure.

so utilized by any Board and if it is found at the end of the financial year that it has reduced its expenditure on primary education, a corresponding reduction will be made by Government in the grant and the amount thus saved will be given to other Boards whose expenditure on Primary education has increased. For this purpose the educational accounts of the Boards should be carefully scrutinized and any reduction that may come to the notice of Educational Inspectors should be forthwith reported for orders. His Excellency the Governor-in-Council trusts that the Boards will make full and early use of the additional funds placed at their disposal. The Director of Public Instruction should be requested to submit a special report on the subject every year until the whole of the increase now sanctioned is absorbed. Government expect that the Boards will, in any development of their primary system, take steps to afford special encouragement to the education of girls. The schools in the smaller villages should usually afford instruction to both boys and girls, but in the larger villages and towns, where special schools for girls are required, His Excellency the Governor-in-Council trusts that a substantial portion of the increased assignments now made may be devoted to female education."*

3. Lastly, we came to the recurring grant of Rs. 5,00,000 sanctioned in 1905-06. In making proposals for utilizing it, the Director of Public Instruction observed :—

"3. In a 'note' which I submitted to Government on January 25th, 1905, I pointed out that Primary Education was still in many parts of the Presidency non-existent and that a large mass of the population in rural areas had no means of obtaining education even though they desired it. I showed that at the end of 1903-04 the situation in rural areas was this, that out of 25,744 villages 6,354 had Primary Schools either maintained by the District Local Boards or by aided agency : or in other words, that three villages out of the four, approximately, had no schools. It is true that the situation has improved during the year which has just closed, as 119 additional schools have been opened in District Local Board areas, but it is obvious that the great majority of villages in the presidency have no schools and that in very many cases the children in those villages are unable to obtain any education whatever. This is not the case in town areas where there are, under every Municipal Board, schools maintained under a legal obligation and available for those who wish to use them. The contrasted position is this, that in all town areas Primary Education is existent and accessible, but that in the greater portion of the rural areas it is non-existent and inaccessible to the majority of the population.

"4. I am of opinion that this fact is of such importance that it would entirely justify the allotment to rural areas of the whole of the additional assignment ; and I would unhesitatingly recommend this and the allotment of the entire sum to the provision of schools in villages which now do not possess them, if adequate machinery for maintaining such schools existed already. It does not exist and it is useless to open schools when there are not masters available for them. Therefore, I can submit no such proposal

*G.R., E.D., No. 1749 dated 29th August 1903, para. 1.

to Government, but I trust that Government will concur with me in the opinion that the fundamental principle of a system of Primary Education should be its universality ; that as far as possible every child of school-going age should be brought within accessible reach of a school.

"5. Therefore, my main proposal for the expenditure of this assignment is that so much of it as can be devoted to the expansion of Primary Education should be allotted to rural areas under the District Local Boards and not to town areas where schools already exist. The towns have lately received enhanced grants which have largely increased their power of maintaining and extending Primary Education and no injustice will be done to them if to localities less fortunate the means of education are afforded through the medium of a grant from Imperial Revenues. On the other hand, a manifest injustice to those cess-payers who now pay an educational rate, without any corresponding advantage, will be partially remedied if a substantial assignment is made to rural areas and if it is a clear direction to the Department that the schools to be opened with the funds provided shall be, as far as possible, situated in localities where schools do not now exist and where the people cannot obtain education at all.

"6. Provincial Educational grants to District Local Boards have hitherto been made on the general principle of a grant proportionate to the educational expenditure of the Board from its educational cess. There have been exceptions to this principle as in the case of Broach, a very rich and small district, which, for many years, received a very small Provincial grant, and the Panch Mahals, a poor district with a very small cess income, which has for many years received a grant from Provincial funds out of proportion to its cess expenditure. In the assignment of the additional grant to District Local Boards made in 1903-04 Government accepted in Government Resolution No. 1749 of 29th August 1903 the general principle alluded to above and based the grants upon the educational expenditure of the Boards.

"7. The principle is not altogether a fair one for one Board may have a small area, a small population and a large income, e.g. Broach, while another district with a far larger area and a far larger population, e.g. Ratnagiri is comparatively much poorer. Thus in 1903-04 the expenditure of the District Local Board, Broach, within its area was Rs. 72,739, while the expenditure of the District Local Board, Ratnagiri, was Rs. 61,897. The Broach District with an area of 1,467 square miles contains 410 towns and villages and a population of 291,763. The Ratnagiri District with an area of 3,998 square miles contains 1,308 towns and villages and a population of 1,167,927. The District Local Board Schools of Broach were 252 in number and those of Ratnagiri 167. Again, the Panch Mahals District Local Board with an area larger than Broach and a population less by only 30,000 expended in the same period Rs. 32,160 only on the maintenance of 96 Board Schools.

"8. The relative conditions of the Districts are shown on pages 4 and 5 of the Supplement to my Annual Report for 1903-04 and in the distribution statement published at the beginning of that Supplement. I have mentioned the more striking instances of inequality, and I believe that it is not necessary to emphasize further the view which I hold that the

additional funds now available should be allotted on the principle laid down in the concluding portion of paragraph 5, namely, that of rendering help to those districts which are educationally and financially deficient and of providing schools in villages which have no schools and which are not situated within reasonable reach of schools. In support of this view I attach a statement showing as far as possible the condition of the District Local Boards at the end of the year which has just closed, and the increased grant which it is proposed to give to each Board. I may note that in some cases the figures of attendance in District Local Board Schools (e.g. in Satara) are vitiated by plague. In other cases the cess receipts realised in 1904-05 are less than the normal owing to bad season (e.g. in Kaira). But as far as possible the sums allotted have been calculated on the consideration of the wants of the population and the educational capacities of each area. The proposed allotments have been made after very careful consultation with the Divisional Inspectors.

" 9. The first charge then upon the 5 lakhs assignment should be the additional grants to District Local Boards for the extension of Primary Education and its efficient maintenance. I recommend that a sum of not less than $2\frac{1}{2}$ lakhs should be assigned for this purpose. The distribution of that assignment is given hereafter, and I now proceed to my further proposals for the expenditure of the rest of the 5 lakhs.

" 10. Besides the Provincial grant to District Local Boards, Government have allotted a sum of Rs. 40,000 for aiding Primary Schools in District Local Board areas. The grant has been a valuable one and has enabled the Department to assist private enterprise in providing education in villages where there was no Board School..... The disasters of the Presidency, and especially plague, have been adverse to the development of an aided primary system in rural areas, but still the demand for aid for private schools has continually grown, and the Educational Inspectors all report that the present assignment of Rs. 40,000 is insufficient. Thus, in the Southern Division, where there were on 31st March 1904, 315 aided schools in District Local Board areas, the Inspector spent Rs. 8,963 out of an allotment of Rs. 9,000 and requests that that allotment may be raised to Rs. 20,000 both to encourage additional schools to register themselves and to give more liberal grants to those schools which are already registered and efficient. The Educational Inspector, Central Division, for the same reasons asks that his allotment of Rs. 7,600 may be increased by Rs. 4,000. The Educational Inspector, Northern Division, whose present allotment is Rs. 2,200 only, reports the recent registration of numerous new schools and asks that his grant may be raised to Rs. 5,000.....

"The aided system in villages may become of very great value as ancillary to the District Local Board system and its development should certainly be encouraged, for while we can never expect that the funds of the District Local Boards will fully meet the demands of the population, it is legitimate to hope that, with a large expansion of an aided system under liberal grants, this result may approximately be attained. I therefore recommend that the allotment of Rs. 40,000 now made for the support of

aided schools in District Local Board areas may be increased to Rs. 65,000* by an additional assignment of Rs. 25,000. It should be an instruction to the Accountant General that this allotment should be maintained fully from year to year and should not be reduced because it cannot be fully spent all at once.

" 11. My proposals thus are—

	Rs.
1. Additional assignment to District Local Boards	2,50,000
2. Additional assignment to the allotment for aided schools in the same area	25,000
Total ..	2,75,000

To these, I would add a further special assignment to provide for the proper accommodation and equipment of village schools. It may be expected that as a result of the assignment of 2½ lakhs the number of Primary Board Schools will largely increase. The Boards can at present even with increased funds provide only a small percentage of the necessary school buildings. In bad years, building operations are perforce suspended and in any case buildings are usually only erected when a half grant from Provincial Funds is forthcoming. A building grant is not always available and it often happens that when villagers have made a popular contribution for a new school-house they have to wait for years before the building is erected. This is in itself very undesirable, but it is inevitable so long as reliance has to be placed upon a grant which is precarious and which, in any case, is largely forestalled by the demands of Secondary and Higher Education. It has been one of the principles of our primary system in this Presidency that schools should, if possible, be well housed and well equipped, and I am confident that the principle is sound and that, given good Masters, the foundation of efficient instruction lies in good buildings properly equipped.

" I propose that a sum of not less than one lakh of rupees should be permanently set aside as a building and equipment grant for Primary Education. The fund should be administered by the Department and should be utilised for (1) meeting local provision, including popular subscriptions, for the erection or extension of buildings ; (2) rendering assistance in the equipment of schools with furniture and apparatus.

" The allotment should, I think, be primarily for the benefit of District Local Boards, but I would not exclude Municipal Boards or aided schools from its benefits. Experience will show how far a diversion of the funds from rural areas is advisable and legitimate.

*The approximate distribution would be :—

	Rs.
Central Division	12,000
Northern	5,000
Southern	18,000
Sind	30,000
Total	Rs. 65,000

" I would only add that all my Inspectors concur in their approval of the proposal to create this special fund, and that they are of opinion that the sum I have suggested is not in excess of requirements and that it can be expended from year to year to the great advantage of the primary system of education in this Presidency.

" Recapitulating the proposals so far are as follows :—

	Rs.
1. Assignment to District Local Board and aided schools ..	2,75,000
2. Building and Equipment grant	1,00,000
Total ..	<u>3,75,000 "</u>

On this letter of the Director of Public Instruction,* Government passed the following orders :—

" 2. His Excellency the Governor-in-Council agrees with the Director of Public Instruction that in distributing the grant of five lakhs funds for the expansion of primary education should be allotted to rural areas under Local Boards rather than to Municipalities where schools exist, but it must be understood that the appropriation is liable to modification hereafter if considered desirable. Grants to Local Boards for primary education have hitherto borne a certain proportion to expenditure from Local Funds. Though Government from time to time affirmed their adherence to the principle that the grants should be equal to one-third of the Local Board expenditure on primary education, full grants were not made to the Boards till 1895. In 1903 the grant of six lakhs made by the Government of India to carry out the resolutions of the Simla Conference enabled this Government to raise the limit of aid from one-third to one-half of the expenditure in the case of both Local Board and Municipal primary schools. His Excellency the Governor-in-Council is glad that the liberality of the Government of India has again enabled him to supplement the resources of Local Boards for expansion of primary education in rural areas. // The Director of Public Instruction proposes that the allotment of the additional grants to Local Boards should not be made in proportion to their expenditure but should be utilised for rendering help to those Boards which are unable financially to do more to supply their educational deficiencies. His Excellency the Governor-in-Council is of opinion that the principle that grants in-aid to local bodies should bear some proportion to local provision is a very important one and should be adhered to as a general rule ; but when funds are available additional aid may properly be given to the poorer Local Boards // Moreover, as the Boards must devote one-third of the local cess mainly to primary education and are not likely to have much more to spare for the purpose, a departure from the principle is less open to objection in their case than in the case of Municipalities. His Excellency the Governor-in-Council therefore approves the distribution of Rs. 2,50,000 among Local Boards in the manner shown in the statement forwarded by the Director of Public Instruction with effect from 1st April 1906. The

*D.P.I.'s letter No. 2247 dated 31st May 1905.

item of Rs. 1,200 in proposal VI, which does not fall within the scope of the orders of the Government of India, should be added to the above amount and allotted to the Broach District Local Board. For the current year a sum of Rs. 1,00,000 only should be distributed among the Boards in the same proportion approximately as the grant of Rs. 2,51,200. It must be understood that the distribution now sanctioned is subject to reconsideration hereafter as experience may suggest, and that the existing expenditure from Local Funds on primary schools should not be reduced, but the additional grants should be utilized as far as possible in opening schools in villages where they are needed.

"3. The existing provision for grants to private primary schools within local areas is Rs. 40,000 and adding to it Rs. 25,000 now proposed the provision will be Rs. 65,000. The Director suggests that this should be a constant entry in the Budget irrespective of the actual expenditure in previous years. The provision should be allowed to stand at Rs. 65,000 until 1910, when if it is found that it is not fully utilized the question of reducing it and spending the amount on any other object connected with primary education will be considered.

"4. The allotment of one lakh for grants for primary school buildings and equipment is approved for the present on the understanding that the item should be regarded as a reserve from which increased grants-in-aid to private primary schools can be provided and also grants for the maintenance of new Local Board or Municipal Schools."

—G.R., E.D., No. 1569 of 25-8-1905.

It is desirable to sum up the net effects of these grants. It will be seen that within five years, the Local Boards received a non-recurring grant of Rs. 3,85,771 and recurring grants to the tune of Rs. 4,77,374 ! Besides these, the Boards also had some share in the special building grant of one lakh of rupees though its exact extent cannot be determined.

The following table will show how sharp and how remarkable is this rise in Government grants :—

District	Government grant in	
	1901-02	1907-08
	Rs.	Rs.
1. Poona	24,818	52,845
2. Satara	30,279	59,107
3. Sholapur	20,529	37,884
4. Ahmednagar	27,079	55,534
5. Nasik	25,315	47,778
6. Khandesh	31,167	58,939 (E. K.) 16,289 (W. K.)
Total C. D. ...	1,59,187	3,28,376

District	Government grant in	
	1901-02	1907-08
7. Ahmedabad	Rs. 24,756	Rs. 57,077
8. Kaira	24,417	63,467
9. Surat	12,877	30,665
10. Panch Mahals	30,849	43,739
11. Broach	19,897	64,727
12. Thana	18,665	40,104
Total N. D. ...	1,31,461	2,99,779
13. Dharwar	29,900	64,281
14. Belgaum	28,593	51,402
15. Bijapur	24,100	47,407
16. Kanara	16,700	33,266
17. Ratnagiri	28,441	53,810
18. Kolaba	16,700	34,135
Total S. D. ...	1,44,434	2,84,301
Grand Total for the Province ...	4,35,082	9,12,456

The sudden and large increases in grants were utilized mainly for three purposes. Firstly, they were useful in arresting the deterioration due to plague and famine—an achievement to which reference has already been made. Secondly, the grants were also useful in achieving considerable expansion as may be seen from the following figures :—

—	1901-02	1907-08	Net increase
1. Number of schools on Local Board budget	Rs. 3,799	Rs. 4,680	Rs. 881
2. Number of schools aided directly by the Department in Local Board area	559	678	119
3. Total number of schools in Local Board area	4,358	5,358	1,000
1. Number of pupils in Local Board Schools	1,98,050	2,54,101	56,051
2. Number of pupils in aided schools ...	17,064	20,924	3,860
3. Total number of pupils in all Primary Schools in Local Board area	2,15,114	2,75,025	59,911

Thirdly, the additional grants were also used to improve the remuneration of primary teachers. In 1901-02, the average pay of a teacher was anything between Rs. 9 and Rs. 10 p.m. In 1907, the average pay of a primary teacher rose to Rs. 11 p.m.

B.—SECOND SUB-PERIOD
(1908-09 to 1913-14)

The six years between 1908-09 to 1913-14 (both inclusive) form the second sub-period of this important era in the history of primary education of the Province.

The most noteworthy event of this period is the great increase in the number of primary schools and pupils in Local Board areas. As early as 1908-09 Government drew up a list of about 1650 villages where new schools might be opened in the next three years or so. The first step in this direction was taken in the following year and till the end of 1913-14, Government went on sanctioning additional grants every year for opening new schools, or for appointing additional assistants in existing schools. The following is the consolidated lists of all such grants sanctioned by Government during the sub-period under review :—

Year	Number and date of Government Resolution	Purpose for which grant was sanctioned	Amount of additional grant
1909-10	G. R., E. D., No. 2156 of 26-10-1909	For new schools	1,14,000
1910-11	G. R., E. D., No. 2485 of 9-12-1910	Do.	1,44,000
1911-12	G. R., E. D., No. 689 of 12-3-1912	Do.	56,000
1912-13	G. R., E. D., No. 2962 of 16-11-1912	Do.	69,908
"	G. R., E. D., No. 765 of 18-3-1913	For additional assistants	45,000
1913-14	G. R., E. D., No. 3308 of 12-11-1913	Do.	50,000
"	G. R., E. D., No. 3308 of 12-11-1913	For new schools	1,00,000
Total ...			5,78,908

Most of these grants are for the Province as a whole, inclusive of Sind. It is, therefore, necessary to separate the grants for the Province as it stands today. The following table has been specially prepared from this point of view :—

District	Additional grants sanctioned		Total
	For new schools	For additional assistants	
	Rs.	Rs.	Rs.
1. Poona ...	29,585	3,900	33,485
2. Satara ...	28,961	5,100	34,061
3. Sholapur ...	22,001	3,120	25,121
4. Ahmednagar ...	27,801	2,376	30,177
5. Nasik ...	26,145	3,132	29,277
6. East Khandesh ...	50,744	9,820	60,564
7. West Khandesh ...	20,613	4,552	25,165
Total C.D. ..	2,05,850	32,000	2,37,850
1. Ahmedabad ...	16,802	6,500	23,302
2. Kaira ...	19,585	8,104	27,689
3. Panch Mahals ...	14,236	3,326	17,562
4. Broach ...	3,682	4,082	7,764
5. Surat ...	16,853	8,364	25,217
6. Thana ...	6,983	4,899	11,882
Total N.D. ..	78,141	35,275	1,13,416
1. Dharwar ...	20,918	9,012	29,930
2. Belgaum ...	15,862	5,595	21,457
3. Bijapur ...	16,990	4,248	21,238
4. Kanara ...	11,543	2,168	13,711
5. Kolaba ...	14,370	3,348	17,718
6. Ratnagiri ...	20,978	4,104	25,082
Total S.D. ..	1,00,661	28,475	1,29,136
Grand Total for the Province ...	3,84,652	95,750	4,80,402

The principles on which these grants were distributed among the various districts call for a few comments. Sometimes, the additional grants available were distributed equally between the Educational Divisions. This was the easiest thing to do but it was not equitable because the population and the needs of the Educational Divisions of the Province vary considerably. Secondly, in distributing the additional grants, the Department seems to have been mostly guided by the demands made by Educational Inspectors. This was again an easy thing to do ; but one expects that the Department ought to have treated all districts equitably and given them grants on a population basis. If there was no local demand in a particular district, it was the duty of the Depart-

ment to organise propaganda and to create it. But in those early days, the Department does not seem to have been awakened to these nobler ideals. In fact, it does not recognize them even today.

The net result of these grants can be seen from the following table :—

—	1907-08	1913-14	Net increase
1. No. of schools on Local Board budget	4,680	6,711	2,031
2. No. of schools in Local Board area directly aided by the Department...	678	919	241
3. Total No. of Primary Schools in Local Board area	5,358	7,630	2,272
1. No. of pupils in Local Board schools	2,54,101	3,67,469	1,13,368
2. No. of pupils in aided schools ...	20,924	30,016	9,092
3. Total No. of pupils in Local Board area	2,75,025	3,97,485	1,22,460

The second noteworthy achievement of this period was the improvement in the salaries of primary teachers. As we saw in the last section, this movement had already been started in 1902 and some progress had already been made till 1907-08. During this sub-period, however, the movement was carried considerably further as the following narrative will show.

In 1908, the minimum pay of an untrained assistant was as low as Rs. 7 p.m. Under G.R., E.D., No. 400 dated 17th February 1909 Government sanctioned a special grant of Rs. 50,000 for raising the minimum pay of an untrained assistant primary teacher to Rs. 9 p.m. In the following year, Government sanctioned a special grant of Rs. 1,44,000 which was useful to give effect to the following reforms :—

(i) to raise the minimum salary of an untrained assistant primary teacher of five years' standing to Rs. 10 p.m. (The importance of this reform will be realised all the better if one remembers the old rule that only teachers drawing Rs. 10 or more per month were eligible for pension.)

(ii) to raise the minimum pay of untrained head masters to Rs. 11 p.m. (This was only Rs. 10 at that time.)

(iii) to raise the minimum pay of trained head masters to Rs. 12 p.m.;

(iv) to raise the minimum pay of trained assistants to Rs. 11 p.m.; and

(v) to give the face-value of their certificates to a certain number of trained teachers. (According to the system prevailing in those days, the first, second, and third year trained teachers were entitled to certain minimum salaries which were commonly called "the face-value" of their certificates of training.)

In 1910-11, Government sanctioned a special grant of Rs. 23,951 under G.M., E.D., No. 2133 of 7-11-1910 in order to give the face-value of their certificates to such of the primary teachers who were not in receipt of it.

The net effect of these three grants therefore was (i) to raise the minimum salary of an untrained assistant to Rs. 9 p.m., (ii) to raise the minimum salary of a trained assistant to Rs. 11 p.m., (iii) to raise the minimum salary of an untrained head master to Rs. 11 p.m., (iv) to raise the minimum salary of a trained head master to Rs. 12 p.m., and (v) to give the face-value of his training certificate to each primary teacher. The total additional grants given to the Local Boards in the Province on account of all these reforms were as under :—

District	<i>Amount of additional grant sanctioned</i>		
			Rs.
1. Poona	9,976
2. Satara	10,800
3. Sholapur	6,343
4. Ahmednagar	7,961
5. East Khandesh	10,888
6. West Khandesh	5,107
7. Nasik	8,956
Total C.D.			60,031
8. Ahmedabad	10,343
9. Kaira	15,439
10. Panch Mahals	3,187
11. Broach	10,036
12. Surat	18,526
13. Thana	8,743
Total N.D.			66,274

<i>District</i>	<i>Amount of additional grant sanctioned</i>	Rs.
14. Dharwar	.. .. ..	20,837
15. Belgaum	.. .. ..	13,308
16. Bijapur	.. .. ..	13,003
17. Kanara	.. .. ..	7,304
18. Ratnagiri	.. .. ..	8,282
19. Kolaba	.. .. ..	5,255
		<hr/>
Total S.D.	67,989	<hr/>
Grand Total for the Province	1,94,294	<hr/>

While sanctioning the above grants, Government gave the Local Boards to understand that Government would pay grants in full for the *first three years* and that half the additional expenditure would have to be borne by the Local Boards *at the end of the third year*. Accordingly, the Local Boards had to pay Rs. 97,147 in 1911-12 towards the cost of the above scheme of improving the pay of the primary teachers. But on financial grounds, they were exempted from this payment as will be seen from the following orders of Government :—

“The question for the consideration of Government is the final apportionment as between Government and the local bodies concerned of the liability on account of the heavy recurring expenditure embarked upon in the course of the last three years for the general improvement of the pay of teachers in local board and municipal primary schools. In 1908 the Governor-in-Council, in order to avoid delay in effecting this urgently needed reform, decided that for the first three years the entire cost of the scheme should be borne by Government. This was effected by successive special grants in the years 1908, 1909 and 1910 to the Local Boards and Municipalities throughout the Presidency. At the same time it was announced that in the case of each such special grant half of the cost of the scheme would, after the lapse of three years, be transferred to the local bodies by the withdrawal of an equivalent portion of the grant. This contingency, however, it was subsequently decided, was to be subject in every case to consideration with reference both to the ordinary grants already received by the local body and to its financial capacity to assume the liability involved. In order to enable Government to gauge the effect of these orders on the finances of the local bodies for the determination of the latter point, the Director of Public Instruction was directed in Government Resolution No. 2551, dated the 14th December 1910, to draw up statements of the liabilities which they involved on all District Local Boards and Municipalities, and to submit these statements through the Commissioners, who were asked to express their opinion on the question whether the charges appearing therein should be transferred to the local bodies concerned. These statements with the opinions of the Commissioners of Divisions are now before Government.

" 2. Excluding the special grants sanctioned in 1911-12, the aggregate amounts payable by the District Local Boards and Municipalities are Rs. 24,007 in 1911-12, Rs. 1,19,879 in 1912-13 and Rs. 1,40,836 in 1913-14 and thereafter as shown in the subjoined statement :—

Amount payable on account of improvement of pay of primary teachers by—

(i) LOCAL BOARDS

—	1911-12	1912-13	1913-14
	Rs.	Rs.	Rs.
Northern Division ...	7,794-0-0	29,800-0-0	33,137-0-0
Central Division ...	4,974-0-0	28,622-0-0	30,015-8-0
Southern Division ...	5,757-0-0	29,922-8-0	33,994-8-0
Sind ...	.....	10,367-8-0	17,832-0-0
Total ...	18,525-0-0	98,712-0-0	1,14,979-0-0

(ii) MUNICIPALITIES

Northern Division ...	2,379-0-0	9,456-8-0	10,893- 0-0
Central Division ...	1,848-0-0	6,409-0-0	6,832- 0-0
Southern Division ...	1,255-8-0	4,885-8-0	6,199- 0-0
Sind ...	.....	416-0-0	1,933-12-0
Total ...	5,482-8-0	21,167-0-0	25,857-12-0
Grand Total ...	24,007-8-0	1,19,879-0-0	1,40,836-12-0

The greater part of the liability thus devolves on the District Local Boards, the maximum amount to be borne by the Municipalities in any one year being only Rs. 26,000. As already indicated Government have announced that the question of ultimately withdrawing a portion of these special grants would be considered with due regard to the ordinary grants already paid. Now, since the year 1903, the limit of such grants, which was originally one-third of the gross expenditure has been raised to one-half, and in the case of Local Boards, this proportion has even been exceeded. The ordinary grants to Municipalities, however, were fixed as far back as nine years ago and have remained stationary since then, with the result that they now fall far short of the limit of one-half of the present gross expenditure. Even with the addition of the whole of the special grants the deficiency is still nearly Rs. 1,15,000. In view of these circumstances Government do not consider that they would be justified in calling upon the Municipalities to pay half the cost of the scheme of reform, and they are

accordingly pleased to direct that payment of the full amounts of the special grants already enjoyed by each of these bodies shall be continued to it, provided that the aggregate of grant thus drawn shall not in any case exceed the prescribed limit of one-half of the gross municipal expenditure on primary education.

"3. The case of the District Local Boards is on a different footing inasmuch as, with the exception of the East Khandesh Board and four out of the six Sind Boards, all these bodies are already in receipt of grants exceeding the half of their total expenditure on education. The question of their treatment must therefore be approached from the point of view of their capacity to sustain the withdrawal of half the special grants latterly enjoyed by them. Now, of the nineteen Boards of the Presidency proper only eight have been reported by the Commissioners to be in a position to do so. So far, then, as the other eleven Boards are concerned, it is clear that the recovery of half the cost of the scheme of increased pay to teachers will have to be foregone and the full grants continued as during the past triennial periods. The question then remains as to the treatment of those Boards which are considered to be in a position to bear the proposed charges. Presumably they are so considered because their educational funds show substantial credit balances. But it is open to question whether this is in itself a sufficient reason for discriminating between them and other Boards by imposing on them a heavy burden of recurring expenditure from which the latter are to be exempt and in the original incurring of which, moreover, they had no voice. It is to be remembered that a fixed proportion of the income of the Local Boards is inalienably assigned to educational expenditure. If these particular bodies have not, in the past, been spending to the full this proportion, there are, no doubt, many educational objects to which the resultant balances can now usefully be devoted and the mere presence of the latter does not appear to constitute a sufficient reason for appropriating funds from these bodies to an object of which in the case of every other local body Government are taking upon themselves the entire liability. For these reasons the Governor-in-Council is pleased to direct that in the case of all the District Local Boards also the special grants for the improvement of the pay of primary school teachers should be continued in full."

~~G.R., E.D., No. 1248 dated 20th May 1912.~~

From this time onwards, Government never asked the Local Boards to pay a part of the additional cost involved in schemes for the extension and improvement of primary education. The idea that Government grant to Local Boards ought to bear a certain percentage to the total expenditure of the Board or its local assets was definitely given up and henceforward Government willingly paid *all the additional cost* of the new schemes of primary education. (—)

From 1911-12 to 1913-14, very big grants for education were given by the Government of India. Moreover, the Provincial Government itself found some additional resources for the expansion and improvement

of primary education. Hence the work of improving the salaries of primary teachers was continued still further. In 1911-12, Government sanctioned an additional grant of Rs. 1,47,022 for the improvement of the pay of primary teachers (*vide* G.R., E.D., No. 689 of 12-3-1912). In 1912-13, a grant of Rs. 96,000 was sanctioned for giving code pay to men primary teachers (*vide* G.R., E.D., No. 3103 of 29-11-1912) and another grant of Rs. 11,796 was sanctioned for giving code pay to primary school mistresses (*vide* G.R., E.D., Nos. 1729 of 17-6-1913, 856 of 28-3-1913, and 2050 of 18-7-1913). An additional amount of Rs. 4,084 was sanctioned under G.R., E.D., No. 1702 of 14-6-1913 for giving Code pay to the primary school mistresses. A further grant of Rs. 1,50,000 was sanctioned for promotions to teachers under G.R., E.D., No. 3308 of 12-11-1913. The net effect of all these proposals was to sanction the following additional grants to District Local Boards in the Province :—

[*For Table see page 97*]

The effect of these grants on the salaries of primary teachers can be seen from the following tables A and B. Table A gives the total number of trained and untrained teachers working under the Local Boards in 1907-08 and 1913-14; table B compares the average remuneration of these teachers for the same two years.

[*For Tables see pages 98 and 99*]

Besides the grants mentioned above, Government also sanctioned a special recurring grant of Rs. 15,000 a year to the East Khandesh District Local Board in order to enable it to meet the deficit in its budget. Secondly, the following special recurring annual grants were also sanctioned by Government for scholarships, prizes, encouragement of the education of criminal tribes, etc.

District		Amount of special grant
		Rs.
1. Ahmedabad	.. .. ..	6,000
2. Kaira	.. .. ..	5,000
3. Panch Mahals	.. .. ..	5,000
4. Broach	.. .. ..	6,000
5. Surat	.. .. ..	7,000
6. Thana	.. .. ..	5,000
7. Bijapur	.. .. ..	900
		<hr/>
		Total Rs. 34,900

Thirdly, Government sanctioned a recurring annual grant of Rs. 27,024 under G.R., E.D., No. 73 of 9-1-1914 for the maintenance of normal classes which was distributed as under :—

HISTORY OF LOCAL FUND CESS

97

District	Amount of additional grant sanctioned for improvement of the pay of teachers as per					
	G.R., E.D., No. 689 of 12-3-1912	G.R., E.D., No. 3103 of 29-11-1912	G.R., E.D., No. 1729 of 17-6-1913	G.R., E.D., No. 856 of 28-3-1913	G.R., E.D., No. 1702 of 14-6-1913	Total
1	2	3	4	5	6	7
1. Poona	5,278	5,649	1,373	...	7,010	19,310
2. Satara	7,705	4,452	564	...	10,875	23,596
3. Sholapur	3,177	1,246	575	...	1,309	6,307
4. Ahmednagar	5,225	1,956	720	...	10,067	17,968
5. Nasik	3,095	961	267	...	2,109	6,432
6. East Khandesh	3,184	5,540	173	...	5,588	14,485
7. West Khandesh	1,295	2,196	67	...	1,042	4,600
Total C.D.	28,559	22,000	3,739	...	38,000	92,698
8. Ahmedabad	6,882	7,633	2,665	1,801	10,000	28,981
9. Kaira	7,610	10,155	1,408	952	11,000	31,125
10. Panch Mahals	1,817	1,102	159	108	2,000	5,186
11. Broach	4,185	3,656	424	286	4,000	12,551
12. Surat	7,384	7,781	1,026	694	10,000	26,885
13. Thana	2,750	5,673	360	243	5,000	14,026
Total N.D.	30,628	36,000	6,042	4,084	42,000	118,754
14. Dharwar	8,060	11,000	1,000	...	19,580	39,640
15. Belgaum	5,284	6,000	467	...	13,230	24,981
16. Bijapur	5,148	6,000	147	...	5,160	16,455
17. Kanara	4,488	5,500	267	...	4,490	14,745
18. Ratnagiri	5,272	5,500	134	...	8,320	19,092
19. Kolaba	3,372	4,000	...	...	9,220	16,726
Total S.D.	31,624	38,000	2,015	...	60,000	1,31,639
Grand total for the Province	91,211	96,000	11,796	4,084	1,40,000	3,43,091

◀ TABLE A
Statement comparing the number and qualifications of primary teachers working under the Local Boards in 1907-08 and 1913-14

Year and Division	No. of trained Headmasters	No. of trained Assistants	Total No. of trained Teachers	No. of untrained Headmasters	No. of untrained but passed Assistants	No. of untrained and unpassed Assistants	Total No. of untrained Teachers	Total No. of all Primary Teachers				
								M.	W.	M.	W.	
1907-08												
Central Division	... 659	12 340	... 999	12 1,096	2 751	... 410	8 2,257	10	3,256	22		
Northern Division	... 736	69 155	2 891	71 567	14 1,173	5 402	18 2,142	37	3,033	108		
Southern Division	... 901	17 337	2 1,238	19 582	4 841	... 208	57 1,631	61	2,869	80		
Total for 1907-08	... 2,296	98 832	4 3,128	102 2,245	20 2,765	5 1,020	83 6,030	108	9,158	210		
1913-14												
Central Division	... 753	26 571	3 1,324	29 2,065	3 1,472	1 244	12 3,781	16	5,105	45		
Northern Division	... 918	115 374	14 1,292	129 712	10 906	1 902	28 2,520	39	3,812	168		
Southern Division	... 1,029	30 612	4 1,641	34 1,024	15 1,023	... 264	42 2,311	57	3,952	91		
Total for 1913-14	... 2,700	171 1,557	21 4,257	192 3,801	28 3,401	2 1,410	82 8,612	112	12,869	304		

TABLE B
Statement comparing the remuneration of primary teachers in 1907-08 with that in 1913-14

Year and Division		Average pay of trained Head Masters	Average pay of untrained Head Masters	Average pay of trained Assistants	Average pay of untrained but unpassed Assistants	Average pay of untrained and unpassed Assistants	Rs. a. p.
Male Teachers							
Central Division	1907-08	19 14 6	9 15 7	13 3 2	7 12 4	7 11 8	
	1913-14	25 14 11	11 2 3	17 3 5	9 2 11	9 2 0	
Northern Division	1907-08	20 7 11	9 15 11	13 12 11	7 7 4	7 6 3	
	1913-14	27 6 4	11 5 6	18 5 5	9 6 11	9 5 10	
Southern Division	1907-08	18 3 8	10 3 5	13 4 10	7 11 4	7 6 10	
	1913-14	20 4 7	11 5 10	16 6 4	9 2 1	9 5 7	
Female Teachers							
Central Division	1907-08	22 13 0	10 0 0	...	...	...	8 4 2
	1913-14	30 5 10	11 0 0	12 5 4	9 0 0	9 2 4	
Northern Division	1907-08	19 5 4	9 12 7	13 8 0	8 3 2	7 0 0	
	1913-14	26 3 9	11 0 0	17 13 3	9 0 0	9 10 3	
Southern Division	1907-08	15 2 10	10 0 0	13 8 0	...	5 5 8	
	1913-14	20 3 8	11 4 3	20 8 0	...	9 4 7	

HISTORY OF LOCAL FUND CESS

<i>District</i>	<i>Central Division</i>			<i>Amount of grant</i>
				Rs.
1. Poona	..	..	..	1,710
2. Satara	..	..	..	1,710
3. Sholapur	..	..	..	1,710
4. Ahmednagar	..	..	..	1,710
5. Nasik	..	..	..	1,710
6. East Khandesh	..	..	..	1,710
7. West Khandesh	..	..	..	1,710
	Total C.D.			<u>11,970</u>
	<i>Northern Division</i>			
1. Ahmedabad	..	..	..	1,710
2. Kaira	..	..	..	1,710
3. Panch Mahals	..	..	..	1,710
4. Broach	..	..	..	1,710
5. Surat	..	..	..	1,710
6. Thana	..	..	..	1,710
	Total N.D.			<u>10,260</u>
	<i>Southern Division</i>			
1. Dharwar	..	..	..	484
2. Belgaum	..	..	..	484
3. Bijapur	..	..	..	484
4. Kanara	..	..	..	1,114
5. Ratnagiri	..	..	..	1,114
6. Kolaba	..	..	..	1,114
	Total S.D.			<u>4,794</u>
	Grand total for the Province			<u>27,024</u>

Before we pass on to the next sub-period it would be desirable to sum up the narrative and state that, at the beginning of 1914-15, the annual recurring grants to District Local Boards on account of primary education stood as under :—

<i>District</i>	<i>Central Division</i>			<i>Amount of grant</i>
				Rs.
1. Poona	1,17,326
2. Satara	1,29,274
3. Sholapur	77,365
4. Ahmednagar	1,13,350
5. Nasik	94,153
6. East Khandesh	1,61,586
7. West Khandesh	52,871
	Total C.D.			<u>7,45,925</u>

<i>District</i>		<i>Amount of grant</i> Rs.
<i>Northern Division</i>		
1. Ahmedabad	.. .. ..	1,26,853
2. Kaira	.. .. ..	1,44,430
3. Panch Mahals	.. .. ..	63,310
4. Broach	.. .. ..	81,800
5. Surat	.. .. ..	1,44,065
6. Thana	.. .. ..	81,465
	Total N.D.	6,41,923
<i>Southern Division</i>		
1. Dharwar	.. .. ..	1,55,172
2. Belgaum	.. .. ..	1,11,632
3. Kanara	.. .. ..	70,140
4. Bijapur	.. .. ..	99,487
5. Ratnagiri	.. .. ..	1,07,380
6. Kolaba	.. .. ..	74,948
	Total S.D.	6,18,759
Grand total for the Province		20,06,607

C.—THIRD SUB-PERIOD

(1914-15 TO 1921-22)

We now come to the third sub-period, i.e. the eight years from 1914-15 to 1921-22, both inclusive.

To begin with, it is necessary to realise at the outset that this period is not one of expansion. Reference has already been made to the heroic attempts of the late Mr. Gopal Krishna Gokhale in 1910-12 to make Government accept the ideal of compulsory education. These attempts failed but they had led to such an awakening in the favour of the spread of education that Government could no longer keep quiet in the matter. Consequently, Government had to define its educational policy in unequivocal terms and this was done in Resolution No. 301-C.D. of the Government of India, dated 21st February 1913. The following quotations from this resolution will explain the policy adopted by the Government with regard to primary education :—

“ 10. The propositions that illiteracy must be broken down and that primary education has, in the present circumstances of India, a predominant claim upon the public funds, represent accepted policy no longer open to discussion. For financial and administrative reasons of decisive weight the Government of India have refused to recognise the principle of compulsory education ; but they desire the widest possible extension of primary

education on a voluntary basis. As regards free elementary education, the time has not yet arrived when it is practicable to dispense wholly with fees without injustice to the many villages, which are waiting for the provision of schools. The fees derived from those pupils who can pay them are now devoted to the maintenance and expansion of primary education, and a total remission of fees would involve to a certain extent a more prolonged postponement of the provision of schools in villages without them. In some provinces elementary education is already free and in the majority of provinces liberal provision is already made for giving free elementary instruction to those boys whose parents cannot afford to pay fees. Local Governments have been requested to extend the application of the principle of free elementary education amongst the poorer and more backward sections of the population. Further than this it is not possible at present to go.

"(i) For guidance in the immediate future, with the necessary modifications due to local conditions, the Government of India desire to lay down the following principles in regard to primary education :—

"(i) Subject to the principle stated in paragraph 8 (1) supra, there should be a large expansion of lower primary schools teaching the three R's with drawing, knowledge of the village map, nature-study and physical exercises.

"(ii) Simultaneously upper primary schools should be established at suitable centres and lower primary schools should where necessary be developed into upper primary schools.

"(iii) Expansion should be secured by means of board schools, except where this is financially impossible, when aided schools under recognised management should be encouraged. In certain tracts liberal subsidies may advantageously be given to maktabs, pathshalas and the like which are ready to undertake simple vernacular teaching of general knowledge. Reliance should not be placed upon "venture schools", unless by subjecting themselves to suitable management and to inspection they earn recognition.

"(iv) It is not practicable at present in most parts of India to draw any great distinction between the curricula of rural and of urban primary schools. But in the latter class of schools there is special scope for practical teaching of geography, school excursions, etc., and the nature-study should vary with the environment, and some other form of simple knowledge of the locality might advantageously be substituted for the study of the village map. As competent teachers become available a greater differentiation in the courses will be possible.

"(v) Teachers should be drawn from the class of the boys whom they will teach; they should have passed the middle vernacular examination, or been through a corresponding course, and should have undergone a year's training. Where they have passed through only the upper primary course and have not already had sufficient experience in a school, a two years' course of training is generally desirable. This training may in the first instance be given in small local institutions but preferably, as funds permit, in larger and more efficient central normal schools. In both kinds of institutions adequate practising schools are a necessary adjunct, and the size of the practising school will generally determine the size of the normal

school. As teachers left to themselves in villages are liable to deteriorate there are great advantages in periodical repetition and improvement courses for primary school teachers during the school vacations.

"(vi) Trained teachers should receive not less than Rs. 12 per month (special rates being given in certain areas); they should be placed in a graded service; and they should either be eligible for a pension or admitted to a provident fund.

"(vii) No teacher should be called on to instruct more than 50 pupils; preferably the number should be 30 or 40; and it is desirable to have a separate teacher for each class or standard.

"(viii) The continuation schools known as middle or secondary vernacular schools should be improved and multiplied.

"(ix) Schools should be housed in sanitary and commodious but inexpensive buildings.

"12. While laying down these general principles the Government of India recognise that in regard to primary education conditions vary greatly in different provinces. In the old province of Bengal, for instance, where there is already some sort of primary school for a little over every three square miles of the total area of the province, the multiplication of schools may very well not be so urgent a problem as an increase in the attendance and an improvement in the qualifications of the teachers. In some parts of India at the present time no teacher in a primary school gets less than 12 rupees a month. In Burma all conditions are different and monastic schools are an important feature of the organization. Different problems, again, present themselves where board schools and aided schools respectively are the basis of the system of primary education. Nor must it be supposed that the policy laid down in these general terms for the immediate future limits the aspirations of the Government of India or the Local Governments. Indeed the Government of India hope that the day is not far distant when teachers in primary schools will receive considerably higher remuneration, when all teachers will be trained and when it will be possible to introduce more modern and elastic methods in primary schools.....

"15. It is the desire and hope of the Government of India to see in the not distant future some 91,000 primary public schools added to the 100,000 which already exist for boys and to double the 4½ millions of pupils who now receive instruction in them. For purposes of present calculation a sum of Rs. 375 per annum may be taken as a rough approximation of the probable average cost of maintenance of a primary board school. This figure provides for two teachers, one on Rs. 15 and one on Rs. 12 per month and Rs. 4 per month for the purchase of books and stationery, petty repairs, prizes and for necessary contingencies. This is, however, only an average figure for the whole of India. In India as a whole the average cost of a board or municipal school is at present Rs. 315 per annum. In Bombay the average cost of a primary school under any kind of management is now about Rs. 437 but this figure includes the cost of the higher classes, which in some other provinces are classed as middle or secondary vernacular classes."

It will be seen from these paragraphs that Government did not emphasize the expansion of primary education. It is true that paragraph 15 speaks of doubling the number of schools and pupils, but one cannot help feeling that this is not the real question at issue and that Government are really emphasizing their hope that "the day is not far distant when teachers in primary schools will receive considerably higher remuneration, when all teachers will be trained, and when it will be possible to introduce more modern and elastic methods in primary schools".

This policy of the Government of India was fully accepted by the Government of Bombay in its Resolution No. 1467 dated 21st May 1913 and it may be safely asserted that this policy guided the educational activities of the Bombay Government during the sub-period under review. Secondly, the World War which began in 1914 necessitated economies in expenditure and consequently, Government decided to postpone its programme of expansion. One will not therefore be surprised (though one may be pained) to read through the following statistics :—

Year	Number of Local Board Schools	Number of Pupils in Local Board Schools	Number of Aided Schools in Local Board area	Number of Pupils in Aided Schools	Increase during the year in			
					Schools		Pupils	
					Local Board	Aided	Local Board	Aided
1914-15	6,725	3,78,118	967	32,050	14	48	10,649	2,034
1915-16	6,710	3,70,331	907	29,545	— 15	— 60	— 7,787	— 2,505
1916-17	6,698	3,56,254	753	25,321	— 12	— 154	— 14,077	— 4,224
1917-18	7,024	3,56,988	684	22,664	326	— 69	734	— 2,657
1918-19	7,533	3,92,836	631	21,044	509	— 53	35,848	— 1,620
1919-20	7,654	4,19,549	699	24,304	121	68	26,713	3,260
1920-21	7,647	4,39,315	786	27,989	— 7	87	19,766	3,685
1921-22	7,638	4,46,290	963	33,701	— 9	177	6,975	5,712

It will be seen from these statistics that the period is not favourable to expansion and that in most of the years, there is either a very small increase in the number of schools or an actual decrease. The only exceptions are the years 1917-18, 1918-19 and 1919-20. It was during these years that the late Mr. Vithalbhai Patel carried on vigorous propaganda in favour of compulsory education. The Bombay P. E. (District Muni-

cipalities) Act of 1918 which permitted introduction of compulsory education in Municipal Areas and the City of Bombay P. E. Act of 1920 which introduced compulsion in Bombay city owe their existence mainly to his efforts. The expansion that we see in the years between 1917-20, was therefore the indirect result of the efforts of Mr. Vithalbhai Patel. In 1917-18, in spite of war conditions, the Provincial Government renewed its annual grant of Rs. 2,00,000 for expansion and improvement of primary education. (This grant had been suspended since 1914-15 as a measure of war economy). In 1918-19, the Government of India sanctioned a special recurring grant of Rs. 4,00,000 a year for expansion and improvement of primary education. The problem of expansion, therefore, got a short-lived encouragement for three years between 1917-20 and then the progress (?) of primary education again settled down to its usual slow and sad speed. In a period of eight years, the total number of pupils in Local Board Schools increased only by 68,172 and that in aided schools by 1,651 ! What a sad commentary on paragraph 15 of the Resolution of Government of India quoted above which speaks of doubling the number of boys in primary schools !.

If expansion of primary education was thus neglected by Government, it is a pleasant contrast to note the keen attention which it bestowed upon the improvement in the salaries of primary teachers. The average salary of primary teachers was about Rs. 14 p.m. in 1913-14 and it increased to Rs. 33 p.m. in 1921-22 ! The cost of primary education in Local Board areas of the Province was Rs. 29.66 lakhs in 1913-14 and it rose to Rs. 77.28 lakhs in 1921-22. Evidently most of this increase in cost was due to the increase in the salaries of teachers and the expansion achieved in the period was about 20 per cent only. The problem is, therefore, of very great interest and deserves a careful study.

In 1914-15, a sum of Rs. 88,932 was sanctioned under G.R., E.D., No. 755 dated 8-3-1915 in order to give the code pay to trained teachers. This was distributed as under :—

	Rs.
C.D.	22,000
N.D.	44,000
S.D.	15,000
Total	81,000

N.B.—The remaining amount of Rs. 7,932 was given to Sind.

In 1915-16, a further sum of Rs. 10,547 was sanctioned for giving code pay to teachers ; but in 1916-17, hardly anything was done to improve their salaries.

In 1917-18, the problem came up again for discussion. At this time, the untrained assistant teachers received only Rs. 9 p.m. and the average pay of a trained teacher was still Rs. 19. "Even the initial salary as represented by the face value of the training certificates was not paid to a number of trained teachers and the upper limits of pay indicated in the Code* still remained unattained in the case of a very large majority". Moreover, as the scales of pay given in the Code did not "indicate explicitly the particular year of service in which the different classes of trained teachers became eligible for specified rates of pay, no uniform practice was followed in the different divisions". It therefore became necessary to review the whole position and to give increments to teachers.

Other factors also precipitated the issue. The war had greatly raised the prices of foodstuffs and the lot of the low paid primary teachers became pitiable. The untrained teachers of the Surat District actually went on strike for a revision of pay. Public sympathy was, therefore, entirely with the teachers and Government had to do something in the matter. The situation was saved by a special recurring annual grant of Rs. 2,50,000 made by the Government of India. This was immediately utilized in raising—

- (i) the minimum pay of untrained assistants to Rs. 10 p.m.;
- (ii) the minimum pay of untrained headmasters to Rs. 12 p.m.;
- (iii) the minimum pay of untrained headmasters of 15 years' service to Rs. 15 p.m.; and
- (iv) in giving the face value of his certificates to every trained teacher.

But it was obvious that the problem would not be solved so easily. The following quotations will show how the official mind was thinking at that time :—

"The question of raising these minima still further and of improving the pay and prospects of the different classes of trained teachers on definite

* The upper limits of the salary obtainable by men teachers were—

			1-10 years' service	Rs. 15
		First year	10-20 "	20
			over 20 "	25
		Second year	1-10 "	20
			10-20 "	30
			over 20 "	40
		Third year	1-10 "	40
			10-20 "	50
			over 20 "	60

These limits could not be claimed as a right.

lines is under consideration. The rise in the prices of foodstuffs and all other necessities of life caused by the present war has made the demand for more pay to primary school teachers more insistent than ever ; and the example of England which has been treating this question as a war measure has greatly stimulated and strengthened the demand. The Right Honourable Sir Herbert Fisher, the President of the English Board of Education, has recently been emphasizing the danger of a discontented teaching staff, and, if prospects of promotion are too slow or too remote, discontent is inevitable. This is more especially true at the lower stages. A practical demonstration of this truth was afforded by the untrained teachers' strike in January, 1918, in the Surat District. The strike continued from January to March and in all 431 teachers participated in it. Of the strikers, 371 returned to duty at the close of the year. Attempts on the part of the leaders to spread the movement to other Gujarati districts failed on account of the vigilance of the local educational officials. The Collector of Surat thought that, whatever other influences might have abetted the movement, the root cause of it was economic, viz., the abnormal rise in prices which hit these lowest paid teachers the hardest.”*

In 1918-19, Government of India sanctioned another annual recurring grant of Rs. 4,00,000 for development of primary education. This enabled the Provincial Government to open as many as 509 new primary schools (this has been already mentioned) and to effect some improvement in the salaries of teachers. During this year, the minimum pay of untrained assistants was raised to Rs. 12 p.m. and that of untrained Headmasters was raised to Rs. 15 p.m. Besides this, war allowances were sanctioned to primary teachers with effect from 1st February 1918. It is not necessary to go into all the complicated rules on the subject ; it will be sufficient to state the amount of grant sanctioned to each District Local Board in the Province on account of war allowance to primary teachers :—

<i>Name of the District Local Board</i>	<i>Central Division</i>	<i>Amount sanctioned</i>
		Rs.
1. Poona	54,673
2. Satara	86,239
3. Sholapur	36,996
4. Ahmednagar	54,295
5. Nasik	70,694
6. East Khandesh	1,12,541
7. West Khandesh	36,312
<hr/>		
Total	..	4,51,750

* D. P. I.'s Report, 1917-18, p. 15.

<i>Name of the District Local Board</i>	<i>Northern Division</i>	<i>Amount sanctioned Rs.</i>
1. Ahmedabad	53,162
2. Kaira	71,478
3. Panch Mahals	27,522
4. Broach	44,050
5. Surat	78,786
6. Thana	42,960
	Total ..	317,958
<i>Southern Division</i>		
1. Dharwar	1,22,178
2. Belgaum	66,443
3. Bijapur	71,725
4. Kanara	25,090
5. Ratnagiri	75,767
6. Kolaba	33,600
	Total ..	3,94,803

With effect from 1st March 1919, Government sanctioned incremental time-scales of pay for primary teachers. The scales sanctioned are given below and it is significant to remember that, in the case of Local Boards, Government decided to bear the entire additional cost of the proposal :—

	Presidency proper. Rs.
<i>First year teachers</i>	
(i) Ordinary time scale	15-1 (biennial)-25- 1 (annual)-30
(ii) Selection grade (appointments to be made up to 10 per cent.)	40
<i>Second year teachers</i>	
(i) Ordinary time scale	20-1 (biennial)-25- 1 (annual)-40
(ii) Selection grade (appointments to be made up to 10 per cent.)	55
<i>Third year teachers</i>	
(i) Ordinary time scale	25-1 (annual)-40- 2 (annual)-60
(ii) Selection grade (appointments to be made up to 10 per cent.)	75

But even these measures did not solve the problem. As the Director of Public Instruction observed :—

"The revised rates of pay constitute a very marked improvement on the rates actually obtainable hitherto. Until 1917-18 even the initial salary

represented by the face value of their certificates was not received by many trained teachers, while the upper limits of pay indicated in the Codes remained unattained and unattainable by the large majority. Nevertheless the appetite comes in eating, and the present concession, while they have removed the graver grounds of discontent, have failed to satisfy aspirations aroused by the spirit of the times. Demands for further concessions (some of them in themselves not unreasonable) are still pouring in and are under examination. It is true that the revised rates taken along with war allowances have afforded appreciable relief, but there is manifest uneasiness as to the policy intended hereafter in regard to war allowances and their relation to future rates of pay. There seems to be little expectation that the present cost of living will materially diminish and any way a higher standard has been set. What is looked for is an adjustment of the time-scale which will not only incorporate war allowances but also admit of the realisation of the higher aspirations already mentioned.*

In order to stabilise the position and with a view to incorporating the temporary and provisional allowances in pay, a Committee of the Legislative Council was appointed in October 1920 to advise Government on the revision of the salaries of primary school teachers. The Committee on consideration of the position felt that on account of the financial implications they were unable to recommend any revision but suggested relief by increasing the minimum pay of—

Unqualified assistants	to Rs. 20
Qualified but untrained assistants	" 23
Unqualified Head Masters	" 23
Qualified but untrained Head Masters	" 25
First year trained teachers	" 25

Two members of the Committee, the Honourable Mr. Sathe and the Honourable Mr. Paranjape, however, strongly recommended the adoption of the following scales :—

	Rs.
Unpassed	20
Untrained but qualified assistants	25-1/2-30
Untrained and passed Head Masters	30-1/2-35
First year trained teachers	30-1-50-55 (Selection grades 10 per cent.)
Second year trained teachers	35-3/2-65-70 (Selection grades 10 per cent.)
Third year trained teachers	40-2-80-100 (Selection grades 10 per cent.)

*D.P.I.'s Report, 1918-19, p. 18.

Government, on financial grounds, were unable to accept the scales* suggested, but sanctioned the minima of the scales for various classes of teachers.

We need not pursue the question further. It will be sufficient for our purpose to state how the Provincial Grants to District Local Board increased during the years 1918-19 to 1921-22. The following table speaks for itself :—

Year	<i>Amount of Grant to D.L.B.s in the Provinces</i>					
1917-18	26,23,135	
1918-19	40,70,314	
1919-20	49,28,268	
1920-21	51,20,078	
1921-22	67,06,516	

The chief cause of the above increases is due to the improvement in the remuneration of the primary teachers. The following statement compares the remuneration of the primary teachers in 1913-14 with that in 1921-22 :—

Year and Division	Average	Average	Average	Average	Average
	pay of Trained Head Masters	pay of Untrained Head Masters	pay of Trained Assistants	pay of Untrained but Passed Assistants	pay of Untrained and Unpassed Assistants
<i>Male Teachers</i>					
Central Division 1913-14	25 14 11	11 2 3	17 3 5	9 2 11	9 2 0
1921-22	40 12 4	30 0 0	34 14 5	25 0 0	20 0 0
Northern Division 1913-14	27 6 4	11 5 6	18 5 5	9 6 11	9 5 10
1921-22	41 11 4	29 14 10	33 9 3	25 15 1	20 0 0
Southern Division 1913-14	20 4 7	11 5 10	16 6 4	9 2 1	9 5 7
1921-22	45 9 0	29 11 0	36 5 0	25 0 0	20 0 0
<i>Female Teachers</i>					
Central Division 1913-14	30 5 10	11 0 0	12 5 4	9 0 0	9 2 4
1921-22	44 3 8	30 0 0	32 10 0	25 0 0	20 0 0
Northern Division 1913-14	26 3 9	11 0 0	17 13 3	9 0 0	9 10 3
1921-22	37 15 2	...	34 15 4	25 0 0	25 0 0
Southern Division 1913-14	20 3 8	11 4 3	20 8 0	...	9 4 7
1921-22	42 13 0	28 12 0	34 3 0	25 0 0	20 0 0

We have now reached the end of the sub-period under review and the narration may well be closed with the following statement of grants paid to Local Boards in 1921-22 :—

*The question of scales was decided only in 1924 when the scales—known as the 560 scales—were sanctioned under G.R., E.D., No. 560 of 10-3-1924.

<i>District</i>	<i>Amount of Grant Paid</i>
	<i>Rs.</i>
1. Thana	2,27,338
2. Nasik	3,04,045
3. Kolaba	2,16,397
4. Ratnagiri	4,12,093
5. Poona	4,08,307
6. Satara	4,05,119
7. Sholapur	2,70,105
8. Ahmednagar	3,64,213
9. East Khandesh	5,46,112
10. West Khandesh	2,64,681
11. Ahmedabad	4,12,752
12. Kaira	4,58,406
13. Panch Mahals	1,77,023
14. Broach	2,46,380
15. Surat	4,61,212
16. Dharwar	5,22,327
17. Belgaum	4,17,468
18. Bijapur	3,73,888
19. Kanara	2,18,750
<hr/>	
Total Rs. 67,06,516	

REFERENCES

1. Reports of the D. P. I., Bombay, for the years 1901-02 to 1921-22.
2. Report of the Moos-Paranjape Committee, 1940.

APPENDIX
*Statement showing Receipts and Expenditure of the District Local Boards in the Province of Bombay
from 1902-03 to 1921-22*

Year	Division	Provincial Grant	Local Fund	Receipts				Expenditure				Total		
				Fees	Municipal Grants	Miscellaneous	Total	Expenditure on D.L.B. & Govern-ment Insti-tutions	Expenditure on aided Schools	Grants under Section 47	Grants under Section 45			
1	2	3	4	5	6	7	8	9	10	11	12	13		
1902-03	C.D.	3,37,493	2,08,130	33,150	3,977	5,82,750	5,17,630	...	4,293	17,311	5,39,234			
	N.D.	3,17,004	1,95,992	23,194	6,015	5,42,505	4,50,773	...	14,878	10,372	4,76,023			
	S.D.	2,63,185	1,94,573	47,728	17,061	5,22,457	4,50,164	...	1,457	11,686	4,63,307			
1903-04	C.D.	2,17,310	2,99,633	30,650	13,771	5,61,364	4,94,929	...	6,145	17,851	5,18,925			
	N.D.	1,96,351	2,87,888	24,051	3,200	5,11,490	4,65,898	...	11,906	11,119	4,88,923			
	S.D.	2,02,848	2,05,918	43,683	...	11,947	4,64,396	4,66,796	...	1,253	11,686	4,79,735		
1904-05	C.D.	6,16,509	7,93,439	98,384	...	28,918	15,37,250	14,27,623	...	19,304	40,656	14,87,583		
	N.D.	2,70,439	1,91,827	33,894	433	4,800	5,01,393	5,49,310	...	6,873	17,210	5,73,393		
	S.D.	2,47,762	1,61,969	23,908	3,805	4,37,444	4,61,244	...	7,586	10,698	4,79,528			
1905-06	C.D.	7,53,008	5,46,238	1,04,900	489	18,144	14,22,779	14,84,390	...	16,106	39,452	15,39,928		
	N.D.	2,93,717	2,01,260	38,199	...	12,148	5,45,384	6,11,468	...	4,640	18,959	6,35,067		
	S.D.	2,71,538	2,80,522	27,065	...	4,929	5,84,054	5,26,547	...	9,915	8,812	5,45,274		
		8,37,012	6,28,466	1,46,684	56,449	...	4,916	4,79,806	5,10,922	...	1,402	11,361	5,23,685	
										15,957	39,132	17,04,026		

HISTORY OF LOCAL FUND CESS

115

C.D.	2,99,876	42,388	710	7,657	720,067	5,98,769	2,156	17,220	6,18,145	
N.D.	2,88,378	26,929	...	5,892	6,42,295	5,40,537	...	10,019	5,61,511	
S.D.	2,32,823	62,449	...	8,012	6,22,726	5,48,024	500	1,518	5,61,408	
1906-07	10,09,974	8,21,077	1,31,766	710	21,561	19,85,088	16,87,330	500	13,693	39,536
C.D.	2,97,261	42,134	...	6,990	7,28,224	6,22,605	...	4,592	17,004	
N.D.	2,50,595	27,361	...	8,735	6,00,603	5,88,204	...	9,844	11,046	
S.D.	2,53,590	63,695	...	7,359	6,41,098	5,60,977	500	1,614	11,361	
1907-08	10,12,205	8,01,446	1,33,190	...	23,084	19,69,925	17,71,786	500	16,050	39,411
C.D.	3,10,010	43,800	...	3,654	7,58,639	7,24,679	...	7,459	17,004	
N.D.	2,85,901	27,978	...	6,763	6,49,352	6,55,108	...	9,471	9,228	
S.D.	3,23,286	65,470	...	12,751	5,90,236	5,88,308	...	1,772	11,416	
1908-09	10,53,171	7,84,640	1,37,248	...	23,168	19,98,227	19,68,095	...	18,702	37,648
C.D.	3,37,330	47,732	...	5,101	8,47,010	7,71,462	...	5,136	17,447	
N.D.	2,65,240	30,501	...	6,082	7,10,151	7,18,521	...	10,031	10,564	
S.D.	3,97,529	71,390	...	7,493	7,22,798	6,55,326	1,000	1,544	12,239	
1909-10	12,62,704	8,48,956	1,49,623	...	20,676	22,79,959	21,45,309	1,000	16,711	40,250
C.D.	3,16,528	50,118	...	2,062	8,47,598	8,32,142	...	4,442	17,128	
N.D.	2,71,731	30,401	...	3,952	7,38,266	7,25,866	...	10,352	9,835	
S.D.	2,10,598	73,319	...	9,785	7,29,586	7,27,379	500	1,078	12,160	
1910-11	13,46,956	7,98,857	1,53,838	...	15,799	23,15,452	22,85,387	500	15,872	39,133
C.D.	2,91,458	53,394	...	7,029	9,23,733	9,59,931	...	5,156	17,476	
N.D.	1,95,953	31,776	...	5,031	7,14,671	7,73,657	611	7,260	8,465	
S.D.	2,26,277	63,915	...	10,145	7,70,513	7,32,640	518	1,910	12,469	
1911-12	15,23,939	7,13,688	1,49,085	...	22,205	24,08,917	24,66,228	1,129	14,266	38,410
C.D.	5,71,852	59,327	...	5,162	9,94,855	10,67,212	...	5,813	9,82,563	
N.D.	4,81,911	33,742	...	10,751	9,00,976	8,28,905	1,057	12,813	7,89,933	
S.D.	4,70,176	72,722	...	7,274	8,60,902	8,24,752	500	1,808	7,47,537	
1912-13	17,24,616	8,43,139	1,65,791	...	23,187	27,56,73	27,20,869	1,557	20,434	38,294

APPENDIX—(Contd.)

Year	Division	Receipts						Expenditure						Total		
		Provincial Grant	Local Fund	Fees	Municipal Grants	Miscellaneous	Total	D.L.B. & Government Institutions	Expenditure on aided Schools	Grants under Section 47	Grants under Section 45	10	11	12	13	
1	2	3	4	5	6	7	8	9	10	11	12	13				
1913-14	C.D.	7,33,310	3,25,079	62,253	...	13,162	11,33,804	10,51,604	1,282	5,705	17,302	10,74,611				
	N.D.	6,51,468	3,23,842	35,405	...	7,740	10,18,455	9,10,102	500	13,482	9,933	9,34,799				
	S.D.	6,30,974	2,38,603	72,342	...	7,510	9,49,429	8,86,589		2,263	12,035	9,01,387				
1914-15	C.D.	20,15,752	8,87,524	1,70,000	...	28,412	31,01,688	28,48,295	1,782	21,450	39,270	29,10,797				
	N.D.	9,00,588	3,17,589	64,869	...	22,373	13,05,419	11,40,388	...	7,125	17,015	11,64,528				
	S.D.	7,60,528	2,80,049	36,1198	...	7,016	10,83,791	9,96,979	...	13,833	10,432	10,21,244				
1915-16	C.D.	6,98,489	2,19,993	74,457	...	8,201	10,01,140	10,52,238	500	11,937	1,872	10,66,547				
	N.D.	23,59,605	8,17,631	1,75,524	...	37,590	33,90,350	31,89,605	500	32,895	29,319	32,52,319				
	S.D.	8,47,793	2,62,273	63,185	350	7,166	11,80,767	12,34,072	1,341	5,155	17,559	12,56,786				
1916-17	C.D.	7,22,571	1,70,080	38,296	...	7,802	9,38,749	10,55,406	...	7,772	8,502	10,73,021				
	N.D.	7,19,351	2,20,647	70,695	...	9,578	10,20,271	10,49,306	...	11,937	1,870	10,63,113				
	S.D.	22,89,715	6,53,000	1,72,176	350	24,546	31,39,787	33,38,784	1,341	24,864	27,931	33,92,920				
1917-18	C.D.	9,55,892	3,38,090	59,864	350	10,278	13,64,474	11,97,835	374	6,052	17,559	12,21,820				
	N.D.	8,00,778	2,79,123	40,661	...	7,537	11,27,499	10,75,070	1,320	7,744	8,315	10,92,449				
	S.D.	7,50,085	2,33,751	71,005	...	14,076	10,68,917	10,10,359	...	13,041	1,802	10,25,202				

HISTORY OF LOCAL FUND CESS

CHAPTER VI

THE WHEELS MOVE BACK

(1922-1938)

The Bombay Primary Education Act, 1923, marks a great event in the history of rural primary education in this Province. Firstly, it gave statutory recognition to the ideal of "*universal, compulsory, and free elementary education*" in rural areas, and stated that this ideal was to be realised by a "definite programme of progressive expansion". Secondly, it transferred the control of primary education to the Local Bodies in a far greater measure than heretofore. Thirdly, it proposed a new basis of grants to the Local Boards. In order to understand the full significance of these changes, it is necessary to analyse the report of the Compulsory Education Committee, 1922, or the Chandavarkar Committee as it is popularly called.

A.—REPORT OF THE CHANDAVARKAR COMMITTEE

On 15th July 1921, Government issued a Press Note in which it announced the appointment of a Committee under the Chairmanship of Sir Narayan G. Chandavarkar to consider and report on the following topics, amongst others :—

- (1) To consider and report on the desirability and practicability of introducing free and compulsory education in Municipal and Rural areas of the Presidency (excluding Bombay City).
- (2) To suggest new sources of taxation to meet the cost of such a measure.
- (3) To make detailed proposals for any legislative and administrative measures necessary for the purpose, including the machinery required to carry out any such measures.
- (4) To submit a definite programme showing the various stages which should be successively taken so that a complete system of free and compulsory education may be introduced within a definite period.

An erroneous view is generally found to prevail with regard to the ideal of this Committee which later on came to be known as the

Compulsory Education Committee. Misled by its name and by the high sounding preamble of the Primary Education Act of 1923, people generally think that the ideal of the Committee was the introduction of universal compulsory education all over the Province. But a careful study of its report will show that this belief is far from truth. The Chandavarkar Committee spoke of the *desirability* of universal compulsory education for boys and girls, and even accepted it as its *ultimate* ideal. But in view of the small demand for compulsory education for girls and of the many practical difficulties in the way of introducing compulsion simultaneously for boys and girls, the Committee recommended that the *immediate* ideal before Government should be to extend compulsion to boys only in the first instance, and to expand the education of girls on a voluntary basis. So far as rural areas are concerned, the following were the definite recommendations of the Committee :—

- (a) Compulsion should be introduced in non-Municipal areas and villages which already possessed a school in a period of seven years.
- (b) Schools on voluntary basis should be opened in one-tenth of the school-less villages in a Taluka, every year, provided that at least thirty children of school-going age were available. In such villages compulsion should be introduced three years after a school was opened.
- (c) Education of girls should be developed on voluntary basis. Vigorous propaganda should be carried on to induce parents to send their daughters to schools and the aim should be to increase the number of girls under instruction by about 10,000 a year (inclusive of Sind).

What the Committee expected to achieve at the end of its ten-year programme of expansion may better be stated in words of the Committee itself :—

"It may here be repeated", says the Committee, "that it is anticipated that the number of boys at schools will increase from 6,00,000 to 10,69,000 including those outside the compulsory limits of age, and girls from 1,53,000 to 3,68,000."*

—Report, P. 29.

In other words, the Committee expected to increase the enrolment in primary schools from 7,53,000 to 14,37,000 or approximately to double the number of pupils. That this was clearly recognized by Government would be apparent from the following statement by the then Minister of Education, Dr. (now Sir) R. P. Paranjpe :—

*These and other figures quoted from the report of the Chandavarkar Committee are inclusive of Sind and for both urban and rural areas.—J. P. Naik.

"I assume in these figures, that by our extended programme, the number of new children that we shall bring into our schools will be approximately the same as we have at present at the end, at any rate, of six or seven years. I do not expect that our programme will do more than double the number of children in six or seven years."

—Bombay Legislative Council Debates, 1922, P. 1156.

It should, therefore, be clearly visualised that the immediate goal recommended by the Chandavarkar Committee was not the universal introduction of compulsory education, but only *the doubling of the number of pupils in primary schools in a period of ten years.*

This brings us to the calculations of costs as worked out by the Committee. At the time of the Committee's report, the annual cost per pupil was estimated to be Rs. 20 $\frac{1}{2}$. The Committee assumed that this cost would be progressively reduced by 0-8-0 per pupil per year and that it would be about Rs. 15-8-0 in the tenth year of the programme, and Rs. 15 $\frac{1}{2}$ thereafter.

On this basis, the Committee calculated that the total cost of the programme in the tenth year would come to Rs. 110 lakhs. It is not necessary to offer any lengthy comments on these calculations ; it would be sufficient to quote the following paragraphs from the report of the Committee to show why the Committee expected a progressive reduction in the annual cost of educating a pupil :—

"On the whole it would appear that in the beginning each pupil is likely to cost not much less than Rs. 20, including management and inspection.

"It is a question whether this amount can be reduced. At present each teacher in a Local Board school has 28 pupils on the average, but it must be remembered that he has frequently to teach 3 or 4 classes. With the introduction of compulsion the classes are likely to become considerably larger, and if a master has only one class there is no reason why he should not teach 25 to 40 boys. Further, the pupils brought in under compulsion will be in the lower classes of the school, and it will not be necessary to maintain as high a proportion of second and third year trained teachers as at present. The introduction of the 'Shift system' which is described in Chapter VIII is calculated still further to reduce the number of teachers required and the cost. On the other hand a good many village schools which now have one teacher may require two. It is also possible that when local authorities recruit their own teachers and fix their own scales of pay, subject to certain minima, the cost of teachers may be still further lowered. Some economy may be effected in the cost of management and inspection, and increased number should reduce the average amount of such charges. The encouragement of private enterprise may also help in the task of retrenchment.

"It will perhaps be safe to take Rs. 20 as the inclusive cost in the first year of the programme, and to allow for a slow but steady reduction,

say 8 annas each year, bringing the figure down to Rs. 15-8-0 in the tenth year, and Rs. 15 afterwards."

—Report, Pp. 25-26.

The third question relates to the distribution of this additional cost among the various agencies working for primary education. The committee proposed that the total sum of Rs. 110 lakhs should be raised as under :—

	Rs. (in lakhs)
(a) Contribution of Municipalities	... ... ... 13
(b) Contribution of District Local Boards	... ... ... 20
(c) Contribution of Government	... ... ... 77
	Total Rs. 110 lakhs

The Committee did not make any definite recommendations as to the manner in which the Municipalities should raise their share of 13 lakhs. The amount is small and the Committee has hinted that it might be easily raised by an increase in the house-tax. Anyway, the problem is outside the scope of this book and need not detain us here.

As regards the Local Boards, the Committee recommended the levy of the following two taxes :—

(a) An additional tax on land revenue on a graduated scale of six pies to two annas in a rupee ;

(b) A tax on non-agricultural incomes between Rs. 500 and Rs. 1,999 on the following scale :—

Rs. 500-749	...	...	...	1½ pies
Rs. 750-999	...	...	...	2 "
Rs. 1,000-1,499	...	...	...	3 "
Rs. 1,500-1,999	...	...	...	4 "

It was estimated that the first tax may bring in an income of about Rs. 25-35 lakhs ; but it was not possible to form any estimate of the income that the latter tax would yield.

As regards the big share of Rs. 77 lakhs which the Provincial Government had to bear, the Committee recommended that it was the duty of the Government to provide all the money required for compulsory education either by retrenchment or by additional taxation such as the following :—

- (1) Death duties and succession duties (provided further enquiry shows them to be feasible).
- (2) Increase in the registration fees.

- (3) An entertainment tax on theatres, cinematographs, horse-racing (including totalisator), etc.
- (4) A tax on Inamdaras and Jahagirdars.
- (5) A tax on Devasthans.
- (6) A tax on stock-exchange transactions.
- (7) A tax on trades and industries to be used for the education of factory children.
- (8) Such surcharge on income-tax and super-tax as may be found feasible.

The majority of the Committee also recommended that such special taxation should be earmarked for compulsory education.

Lastly, the Committee considered the question of the basis on which Government grants to District Local Boards should be regulated. Here, it is better to quote the words of the Committee itself :—

“The second difficulty which arises is the marked inequality in the resources in the different districts. A Local Fund cess of one anna on the land revenue is calculated to bring in 7 annas per head of the population in Broach, and 11 pies only in Ratnagiri.

“If compulsion is introduced, the cost of primary education in each district will be approximately proportional to the population. As long as the imposition of a particular local tax brings in seven or eight times as much per head in Broach as in Ratnagiri, it is difficult to see how the provincial grant to a District Local Board can be fixed at any fraction of the expenditure. Nor are we prepared to allow the poorer districts to lag behind on account of their poverty.

“Our recommendations may be summarised as follows :—

“We consider that the introduction of compulsory primary education should as far as possible proceed at the same pace in all districts, and that the general principle to be followed as regards grants should be that in non-City Municipalities and rural areas, the Municipality or District Local Board should contribute one-third of the cost, and Government two-thirds, but in order to maintain a uniform rate of progress Government should assist individual districts according to their needs.....

“We have not succeeded in devising a formula for determining the Government grant according to the needs of a particular district, but in awarding a grant it will be necessary for Government to satisfy themselves that adequate local taxation has been levied and collected, and that here has been no undue extravagance in the management of schools. As has already been pointed out, a careful scrutiny of the average cost per pupil will be necessary every year, and ultimately it may be possible to award grants on a capitation basis.”

—Report, P. 33.

B.—THE PROVISIONS OF THE BOMBAY PRIMARY EDUCATION ACT, 1923,
AND THE BOMBAY DISTRICT LOCAL BOARDS ACT, 1923

These, in brief, were the recommendations of the Chandavarkar Committee in so far as the problem of financing primary education in rural areas is concerned ; and it was on these that the Bombay Primary Education Bill of 1922 was based. In accordance with the recommendation of the Committee quoted above, clause 13 of the bill stated that Government would bear two-thirds of the cost of compulsion and that the Local Boards should bear the remaining one-third. The exact implications of this clause were thus explained by the Minister for Education :—

“ At the present moment, taking the Presidency as a whole, for Primary Education, the Local Boards spend only about 12 per cent and the Government spends 88 per cent. This Bill proposes that the grant to Local Boards will be two-thirds. If then we ask the Local Bodies to change their contribution to 33 $\frac{1}{3}$ per cent, all the new resources which are to be given to them according to the Local Boards Act would be eaten up in finding the remaining 21 per cent. What is intended in fact is this, that the present grants that are being given to the District Local Boards are not to be reduced and the scales of two-thirds will be applied to the new expenditure that will have to be incurred in the expansion of education on an optional basis and the introduction of compulsory education.” //

During the course of the debate, two important objections were raised against the above proposal. In the first place, the legislature expressed a fear that Government intended to cut down their existing expenditure on primary education. Although the speech of the Honourable Minister was quite reassuring, it was pointed out that the speech of the Minister is not a part of the Statute and that the interests of primary education would not be safe so long as the provision in the Statute itself remained unaltered. This objection had to be admitted and consequently, section 13(2) of the Bombay P. E. Act, 1923, was introduced. It runs as follows :—

“ 13(2). Nothing in this Section shall affect the claim of any local authority to any annual grant which at the time this Act comes into operation is being paid to it by the Provincial Government for purposes of primary education, provided that if the Provincial Government consider that the educational funds of any local authority has been or is about to be misused or misapplied, they may call upon such local authority for an explanation of such misuse or misapplication ; and if not satisfied with the explanation given may make such reduction in the grants payable to such local authority as they deem proper.”

Upon this, the Honourable the Education Minister made the following comments :—

"A large number of members here talked about the reduction of grants. It has been mentioned over and over again that we contemplate no reduction whatever in the actual amounts of grants paid to the local bodies. What is being done is a reduction in the percentage of grants on the additional expenditure, which is a far different thing, and I hope that the legal members who are at present in this house will not confuse the issues in this matter. It seems that they are not satisfied with the assurance that I gave to them. That assurance has been made clear not only in my speech, but in the words of the clause, namely that the claims of the Local Boards to receive the grants which they at present get are not affected by the first clause in the bill. I do not think anything more is required to make the position clearer."

—Bombay Legislative Council Debates, 1922, P. 1156-57.

The second objection to this clause, however, was of far greater importance than the first although it was finally thrown out by Government on purely technical grounds. As the controversy is very interesting, I propose to narrate it in some detail.

When the bill was in the Select Committee, it was pointed out that the ratio of two to one which the Chandavarkar Committee had recommended for division of the cost of compulsory education between Government and Local Boards was not likely to solve the problem. The weakness of the Chandavarkar Committee's proposals would be perceived at once from the following table :—

	Rs. (in lakhs)	Rs. (in lakhs)
(a) Contribution of Municipalities	... 13	...
Government grant on above at equal rate	... ...	13
(b) Contribution of Local Boards	... 20	...
Government grant on above at double the rate	... ...	40
Special grants to poorer districts	... ...	24
	<hr/> Total Rs. ...	<hr/> 77

It is easy to see that the "special grants" play too big a part in this calculation and that, as the Act is quite silent on the question of payment of these special grants to backward districts, this basis of grants to Local Boards is entirely inadequate. As an alternative to the above, the Select Committee proposed that the additional cost of compulsion should be shared between Government and Local Boards in the ratio of three to one. That this proposal is more reasonable will be seen from the following calculations :—

		Rs. (in lakhs)	Rs. (in lakhs)
(a) Contribution of Municipalities	...	13	...
Government grant on above at equal rate	...	...	13
(b) Contribution of Local Boards	...	20	...
Government grant on above at three times the rate	...	...	60
Special grants	...	...	4
	Total Rs.	<u>33</u>	<u>77</u>

The Education Minister agreed to this change as a member of the Select Committee. But when the report of the Select Committee came before the legislature, Government objected to the change on the ground that the House could not suggest an amendment which *increased* the liability of Government. When the speaker ruled out this change on such purely technical grounds, the House was about to throw out the whole bill and the Education Minister made heroic attempts to persuade the House to pass it even though its financial clauses would not admittedly be quite satisfactory in the long run. His first defence was to state that the liability of Government provided in the bill was the *minimum* liability and that it was always open to Government to give more. He said :—

“It is only in very rare instances, Sir, that a legal financial liability has been undertaken by Government by means of sections of a statute, and in order to allay the fears of the public and of this Council that the Government might later on come and say that they will not give any money, we have put this legal liability on Government, and the Compulsory Education Committee and Government understand that legal liability does not mean the maximum liability. It means the minimum liability below which Government cannot go. The Compulsory Education Committee have said, and Government quite agree with it, that *in certain cases—in the case of very poor districts—it may be necessary to increase the scale of grant, and Government accept that position.* For example, in the case of very poor districts with a very large population but very small income, especially from local fund cess, they will not be able to meet all the liability—the one-third liability.” //

—Bombay Legislative Council Debates, 1922, P. 1156.

Secondly, he tried to show that even the ratio of two to one would quite suffice for the next six or seven years, or at any rate, till the number of pupils under instruction was doubled. It is desirable to quote his own words :—

“I assume in these figures, that by our extended programme, the number of new children that we shall bring into our schools will be approximately the same as we have at present at the end, at any rate, of six or seven years. I do not expect that our programme will do more than double

the number of children in six or seven years. I look ahead as far as six or seven years, which is quite a long time to look forward to. Take, for instance, a district like Satara which my Honourable friend Mr. Jadhav mentioned. There are 22,114 children at school. Supposing we want to have an equal number of children once for all, the cost at Rs. 17 per head, which is the cost mentioned by the Compulsory Education Committee and which I accept as being suitable in the case of Local Board schools, the extra cost of educating these additional children, numbering 22,000 and odd would be Rs. 5,45,922. Out of this the contribution of one-third by the Local Board as was contemplated in the original draft of the Bill, would be Rs. 1,81,974. Now, in this case, the receipt to the Local Board from the additional anna cess would be Rs. 1,81,269 just barely sufficient. I therefore understand that the Satara District could be on the border line. If they were to expend the whole income from the additional anna cess on educational purposes the Satara District will just be able to meet its liability.

Rao Bahadur R. R. Kale : For Boys ?

The Honourable Dr. R. P. Paranjpe : For doubling the number of children. On the other hand, there is a large number of districts which are in a far better position than this. Take for instance, a district like West Khandesh. There are at present 15,092 children at school. To double that number we require an additional cost of Rs. 2,56,068. One-third of this, which would be the cost that will have to be borne by the Local Board, will be Rs. 85,561, and the receipts from the one anna cess would be Rs. 1,56,000 and odd. Consequently, it is far less than two-thirds of this additional one anna cess. The main difficulty will arise not in carrying out the programme chalked out by the Compulsory Education Committee because that programme applies mainly to boys, and to a certain extent only in the case of girls. The main difficulty might arise when we want to extend the policy to the same extent in the case of girls, as it is proposed to extend it in the case of boys. The difficulty would arise after ten years, when Government would possibly take further measures to apply compulsion in case of girls also. The difficulty would arise then ; but I do not think that the Council would be well-advised in throwing out a measure which meets all the necessities of the case for the next six or seven years."

—Bombay Legislative Council Debates, 1922, P. 1157-58.

It was on this pleading that the bill got through and it is necessary to remember these limitations of the financial arrangements proposed by the Bombay P. E. Act of 1923.

The complementary legislation, viz. The Bombay District Local Boards Act, 1923, deserves some notice. Upto this time, the Local Fund cess was fixed at one anna only. This Act raised the upper limit of the Local Fund cess to two annas in order to enable the Local Boards to raise the additional funds required of them under the Bombay Primary Education Act. But the recommendation of the Chandavarkar Committee that the Local Boards should be permitted to levy a tax on

non-agricultural incomes between Rs. 500-2000 did not materialise because income-tax became a source of "Central Revenue" under the Government of India Act, 1919. In lieu of this, however, the Local Boards were allowed to levy a tax on professions. It was believed that these additional sources of revenue would enable the Local Boards to pay their share of the additional cost of the programme of expansion chalked out by the Chandavarkar Committee.

The foregoing discussion will show that the real object of the Bombay Primary Education Act, 1923, was to lessen the future burden of Government on account of the expansion and improvement of primary education and to transfer it to the shoulders of the Local Boards. It is true that Government did not want to cut down its existing expenditure on primary education. Nevertheless, it desired to bear a smaller percentage of the additional cost of expansion than it had done hitherto. In the last chapter, it was shown that practically *all* the increase in expenditure was borne by Government with the result that Government grant to District Local Boards increased from Rs. 5.29 thousand in 1901-1902 to Rs. 67.07 thousand in 1921-22. In other words, the share of cost of primary education borne by Government increased from 38 per cent to nearly 88 per cent! Government, therefore, felt that a time had arrived when the Local Boards also should bear a pretty large part of the *increase* in expenditure that may take place in future years. Secondly, the finances of the Bombay Government itself were hit hard by the Government of India Act, 1919, under which income-tax became a source of Central Revenue. Bombay is an industrial province and prior to 1919, the Government of Bombay used to get a pretty large revenue as its share of the income-tax. Owing to the centralization of the income-tax, the Bombay Government was deprived of a rich and ever-increasing source of income and it must have felt that it would not be able to foot the additional cost of compulsion without a liberal assistance of Local Boards. With these objects in view, the Act proposed that, in future, Government would pay only 66-2/3% of all the increase in the expenditure on primary education. This reduction in the burden on Government with its implication of an increased burden on Local Boards was the main achievement of the Primary Education Act of 1923. The transfer of additional powers was only a bait in order to make the Local Boards swallow the bitter and indigestible pill of additional financial liability.

C.—THE GRANTS IN THEORY

The system of grants to Local Boards that grew up in the few succeeding years may be briefly described as under :—

The year prior to that in which the control of primary education was transferred to a District Local Board was called the "*Datum-year*" of that District Local Board. The total recurring expenditure of that Board on primary education in the Datum-year was called the "*Datum-expenditure*" and the assets of the Board on account of primary education in the same year (such as one-third part of local cess, fees etc.) were called the "*Datum-assets*." One-twelfth of the Datum-assets was set aside for non-recurring expenditure and the difference between the Datum-expenditure and eleven-twelfths of the Datum-assets was called the "*Datum-grant*." Mathematically, the formula for the Datum-grant may be stated as under :—

$$\text{Datum-grant} = \text{Datum-expenditure} - \frac{1}{12} \text{ of the Datum-assets.}$$

It was this Datum-grant that was guaranteed to the Boards in the speeches of Dr. Sir R. P. Paranjpe and in the words of Section 13(2) of the Bombay Primary Education Act, 1923.

Government further agreed to pay two-thirds of all the approved recurring expenditure in excess of the Datum-expenditure. In other words, the recurring grant payable to a Local Board in any particular year would be calculated according to the following formula :—

$$\begin{aligned} \text{Grant payable } \} &= \text{Datum-grant} + \frac{2}{3} (\text{approved recurring expenditure} \\ \text{in a year } \} &\quad \text{in that year} - \text{Datum-expenditure}). \end{aligned}$$

For facility of calculations, the Department has evolved the concept of the "*Datum-constant*" which is defined as being equal to one-third of the Datum-expenditure *minus* eleven-twelfth of the Datum-assets. The origin of the idea and the method of calculations may be explained as follows :—

We have

$$\begin{aligned} \text{Grant payable } \} &= \text{Datum-grant} + \frac{2}{3} (\text{approved recurring expenditure} \\ \text{in a year } \} &\quad \text{in that year} - \text{Datum-expenditure}). \\ &= \text{Datum-expenditure} - \frac{1}{12} \text{ Datum-assets} + \frac{2}{3} (\text{ap-} \\ &\quad \text{proved recurring expenditure in that year} \\ &\quad \text{— Datum-expenditure}). \\ &= \frac{2}{3} \text{ approved recurring expenditure in that year} \\ &\quad + \frac{1}{3} \text{ Datum-expenditure} - \frac{1}{12} \text{ Datum-assets}. \\ &= \frac{2}{3} \text{ approved recurring expenditure in that year} \\ &\quad + \text{the } \textit{Datum-constant}. \end{aligned}$$

Where *Datum-constant* is defined as being equal to the difference between one-third of *Datum-expenditure* and eleven-twelfths of the *Datum-assets*.

The following table gives the information regarding Datum-grants to each Local Board as they came to be actually fixed :—

Name of the District Local Board 1	Date of taking over control 2	Datum Line year 3	Datum Line expenditure 4	11/12ths of local assets 5	Datum Line grant (cols. 4-5) 6	Datum constant (1/3 of the Datum expenditure - Datum local assets) 7
<i>Bombay Division</i>						
Bombay Suburban District	1- 9-1925	1924-25	28,824	5,832	22,992	3,776
Thana	... 1- 7-1925	1924-25	2,60,566	34,994	2,25,572	51,861
Kolaba	... 1- 4-1927	1926-27	2,81,982	39,570	2,42,412	54,424
Ratnagiri	... 1- 6-1926	1925-26	4,61,286	32,468	4,28,818	1,21,294
Nasik	... 1-10-1925	1924-25	4,31,541	47,079	3,84,462	96,768
Total B. D.	...		14,64,199	1,59,943	13,04,256	3,28,123
<i>Central Division</i>						
Poona	... 1- 9-1926	1925-26	5,07,967	42,863	4,65,104	1,26,459
Satara	... 1- 6-1925	1924-25	5,40,325	62,177	4,78,148	1,17,931
Sholapur	... 1- 8-1925	1924-25	3,09,986	37,736	2,72,250	65,593
Ahmednagar	... 1- 6-1925	1924-25	4,44,566	45,539	3,99,027	1,02,650
East Khandesh	... 1- 7-1925	1924-25	6,53,652	85,708	5,67,944	1,32,176
West Khandesh	... 1-12-1925	1924-25	2,96,730	46,327	2,50,403	52,583
Total C. D.	...		27,53,226	3,20,350	24,32,876	5,97,392
<i>Northern Division</i>						
Broach	... 1-5-1930	1929-30	3,31,178	51,882	2,79,296	58,511
Panch Mahals	... 1-4-1926	1925-26	2,05,639	13,006	1,92,633	55,540
Surat	... 1-9-1929	1928-29	5,44,369	63,214	4,81,155	1,18,242
Ahmedabad	... 1-3-1934	1931-32	4,53,343	61,809	3,91,534	89,305
Kaira	... 1-6-1933	1931-32	5,50,695	60,566	4,90,129	1,22,999
Total N. D.	...		20,85,224	2,50,477	18,34,747	4,44,597
<i>Southern Division</i>						
Dharwar	... 1-3-1926	1924-25	6,87,168	87,844	5,99,324	1,41,212
Belgaum	... 1-2-1926	1924-25	5,10,289	63,237	4,47,052	1,06,859
Bijapur	... 1-1-1927	1925-26	4,68,474	46,127	4,22,347	1,10,031
Kanara	... 1-3-1926	1924-25	2,74,046	22,831	2,51,215	68,518
Total S. D.	...		19,39,977	2,20,039	17,19,938	4,26,620
Grand Total	...		82,42,626	9,50,809	72,91,817	17,96,732

From this table, the recurring grant payable to a District in any year can be easily calculated by the formula stated above. It will be seen that each District gets two-thirds of the approved recurring expenditure *plus* an amount equal to the Datum-constant.

In addition to the recurring grants mentioned above, Government also gives non-recurring grants to Local Boards under Primary Education Rules 114 and 115*, but the payment of such grant is discretionary and subject to the financial condition of Government.

D.—THE GRANTS IN PRACTICE

Let us now see how the Bombay Primary Education Act was worked out in practice.

The Chandavarkar Committee had greatly emphasized the importance of preparing a well-considered and comprehensive programme for each District. Conditions varied greatly from District to District and it was necessary to take into account all relevant local factors if the districts were to move forward with an equal step. As the Chandavarkar Committee observed :—

“To determine the requirements of each district it will be necessary to make a survey on similar lines to those followed in this report. The aim should be to ensure that at the end of 10 years each district has approximately the same percentage of children under instruction. It may not be possible to ensure as high a standard in Sind as in the rest of the Presidency, owing to the fact that we do not propose that compulsion should be applied there generally within a definite period.

It will be necessary to prepare a detailed programme for each district and the additional funds provided by Government should be distributed in accordance with these programmes.”

—Report, P. 29.

In accordance with these recommendations, section 10 of the Primary Education Act desired the Local Authorities to prepare definite programmes of expansion or compulsion and to submit them to Gov-

*These rules are quoted below for ready reference :—

NON-RECURRING GRANTS

114. *Grants for expenditure included in compulsory elementary education scheme.*—Non-recurring grants shall be given on account of expenditure incurred on erecting, purchasing, enlarging or rebuilding school buildings and on special repairs costing over Rs. 100 or on repairs involving improvements and thus enhancing the original cost of the building, on the purchase of sites and on furniture, equipment and books in excess of the limits laid down in rule 112(c), provided that the expenditure has been sanctioned by the Provincial Government as part of a scheme to provide compulsory elementary education under section 10(2) of the Act, and the expenditure does not exceed the amount as estimated by the local authority. The grant shall be equal to one half of the expenditure if the local authority is a Municipality and equal to two-thirds of the expenditure if the local authority is a District Local Board.

GRANTS FOR OTHER NON-RECURRING EXPENDITURE

115. Non-recurring grants may also be given by the Provincial Government on account of the expenditure on buildings, etc., which do not form part of a scheme to provide compulsory elementary education. The payment of such grants shall depend on the financial condition of the Provincial Government.

ernment for sanction. It was expected that the initiative in these matters would generally come from the Local Authorities themselves.

The history of the fifteen years following the Bombay Primary Education Act has shown that this expectation was greatly fulfilled by the Local Boards. Out of the 20 District Local Boards, the following eleven boards took advantage of the additional powers of taxation given to them and increased the rate of the Local Fund cess as shown against them :—

✓	<i>District</i>	<i>Rate at which Local Fund cess was being levied in 1937-38</i>		
1.	Bombay Suburban	..	..	0 2 0
2.	Thana	..	..	0 2 0
3.	Satara	..	..	0 2 0
4.	Nasik	..	..	0 2 0
5.	Sholapur	..	..	0 2 0
6.	Ahmednagar	..	..	0 1 6
7.	East Khandesh	..	..	0 1 6
8.	West Khandesh	..	..	0 1 6
9.	Braojah	..	..	0 1 3
10.	Belgaum	..	..	0 2 0
11.	Bijapur	..	..	0 2 0

One or two comments are necessary here. A careful study of the speech of the Honourable Education Minister quoted above will show that Government expected that the whole of the additional revenue on account of the Local Fund cess will go to expand or improve primary education. But this desire remained only a pious wish of the Honourable Education Minister. There was no corresponding provision in the Bombay Local Boards Act, 1923, which only prescribed that an amount not less than one-third of the Local Fund cess should be devoted to education. The result has been that many Boards have not devoted the increase in cess entirely to education. The Bombay Suburban District is the only Local Board which today gives 16 pies of the cess to Primary Education. Satara gave 16 pies to education in the beginning ; but later on it cut down its contribution to the minimum statutory limit. Some Boards raised the cess on the clear understanding that all the increased revenue would be spent for primary education. But either owing to the chilling policy of Government who did not give adequate grants or owing to the increase in other demands such as communications, water-supply, etc. they gradually reduced their contribution to education to the statutory minimum of one-third.

Secondly, it must be noted that as many as nine Boards had not raised their cess till the end of 1937-38. This is due partly to the disapp-

pointing policy of Government which did not sanction the grants which the Boards ought to have obtained under the P. E. Act, 1923. For instance, the District Local Board, Dharwar, submitted a scheme of compulsory education to Government and resolved that the Local Fund cess in the district should be raised to two annas if the scheme would be sanctioned by Government which implied that Government was bound to pay two-thirds of all additional expenditure. The scheme, however, was not sanctioned and hence the cess in the Dharwar District remained at one anna only. But this slackness of the Boards in raising the cess is also due to their unwillingness to risk the unpopularity which an increase of taxation generally involves. Provision of adequate civic amenities is impossible without additional taxation and it is the duty of local administrators to educate public opinion to pay taxes willingly and to demand amenities in return. Intensive efforts in this direction have not yet been made on a sufficiently large scale.

Thirdly, it is to be noted that no Local Board has yet imposed any profession tax. This is due mainly to the difficulty of collection. The Local Boards cannot be expected to collect them through their own agency, as the procedure would be extremely costly and possibly ineffective. The only method in which the profession tax can be collected successfully is that of the revenue department and Government has not shown the willingness to undertake the responsibility. On the other hand, some of the taxation of Government such as the sales-tax, or money-lenders' licence fees have really encroached upon the field of local taxation ; and the problem of taxing the non-agriculturists for purposes of education has remained unsolved even in 1938.

So much for the part played by Local Boards. Let us see now how Government fulfilled the responsibility thrown upon it by the Bombay Primary Education Act.

(1) It is true that the Act left the initiative regarding compulsion in the hands of Local Boards. But Section 10(2) of the Act definitely provided that Government should call upon the Local Bodies to prepare schemes of compulsion within a specific period if they failed to take the initiative in the matter. Moreover, Section 26* of the Act gave Government power to prepare schemes of compulsion itself if the Local Body failed to comply with an order under Section 10(2). The genesis of this section is best explained in the words of the then Minister of Education :—

*Sections 10(2) and 26 of the Bombay Primary Education Act are quoted below for ready reference :—

10. (2) A local authority, if called upon by the Provincial Government so to do, shall within a time to be specified by the Provincial Government, submit a

" Then again, we do not leave to the Municipalities the option to introduce compulsion or not. While in Section 8 we leave to Local Bodies the option of making the first move, the option of making a scheme for themselves and asking Government to sanction it, we have not stopped at that though in fact we believe that for a short time at any rate that part of the section will remain practically only a devout hope ; what we intend is that according to the second part of that Section Government will call upon any Local Body to make a scheme of compulsory education —and if that Body does not make that scheme Government will appoint its own officers to make a scheme and ask the Local Body to carry it out. The Local Body may still perhaps be recalcitrant. Government will not stop there ; Government will appoint an officer of its own to carry that scheme through, even if the Local Body does not want it, and we will compel the Local Body to contribute its quota to the expenses of the scheme. You will find therefore that according to the clauses of this bill, it is not left to the Local Body to introduce compulsion, although we devoutly hope that many Local Bodies will come forward of their own accord to do so. But we feel that the introduction of compulsory education is so vitally important to the progress of the people of this Presidency that Government must have power to take the initiative themselves and compel the Local Bodies to go ahead in this direction. Thus Section 8 gives power to Government to ask Local Bodies to introduce compulsion and make a scheme. The clause relating to default, clause 24, will prove to you that Government is in deadly earnest in this matter of introducing compulsory education."

—Bombay Legislative Council Debates, Vol. VII, Pp. 391-92.

But what is the record of the years following the P. E. Act ? Government could not or did not sanction even the schemes submitted to it by the Local Authorities, let alone the question of forcing the local bodies to prepare schemes. The report of the Director of Public Instruction for 1932-33 says :—

" Thirty-two schemes for the expansion of primary education on a compulsory basis have so far been received from Local Authorities, District Local Boards, and Municipalities. Of these, only eleven have been sanctioned,

scheme to provide compulsory elementary or primary education in such area as above as the Provincial Government may direct and in the case of children of either sex or both sexes as the Provincial Government may specify.

26. (1) If the Local Authority when called upon makes default in preparing a scheme or after a scheme has been sanctioned omits to make adequate provision for compulsory elementary or primary education, as the case may be, in accordance with a scheme as sanctioned, and to bring into operation or continue to keep in operation of such scheme, the Provincial Government may after due enquiry appoint a person to prepare the scheme or to bring it into operation or to continue to keep it in operation as the case may be, and the expense thereof shall be paid by the Local Authority to the Provincial Government.

(2) If the expense is not so paid the Provincial Government may make an order directing any person who has for the time being custody of any moneys on behalf of the Local Authority either as banker or in any relation to pay such expense from such money as he may have in his hands or may from time to time receive and such person shall be bound to obey such order.

the total cost to Government being Rs. 1,13,493 ; but of the eleven schemes sanctioned, only seven are in operation."

—Report, P. 46.

Later reports do not mention how many more schemes were received, but it is probable that a large majority of the Local Authorities submitted their schemes to Government for approval. But even in 1937-38 the only sanctioned scheme of compulsion under a Local Board was that of compulsory education *for boys only* in all villages of more than 1000 population in the District of West Khandesh. Compulsory education was also introduced in the village of Murdi in Ratnagiri District for boys and girls together. But the scheme owed its life to a donation of Dr. Sir R. P. Paranjpe (whose birthplace is Murdi) and neither the Ratnagiri Local Board nor the Government need claim any compliments for it. This shows how poor has been the progress of compulsion under the P. E. Act. Most of the blame for this failure falls naturally on Government itself.

(2) The second duty of Government was to expand primary education on a voluntary basis and to realise the ideal of the Chanda-varkar Committee, viz. to double the number of pupils within ten years. To this end, Government ought to have provided all the grants payable to Local Boards under the system fixed by the Act and the Rules.

But it is here that we find the policy of Government most painfully retrograde. Under some pretext or the other, Government evaded the payment of legitimate demands and starved primary education. This was done mainly in the following three ways :—

- (i) By reduction in the Datum-grants under certain circumstances ;
- (ii) By not "approving" expenditure legitimately incurred ; and
- (iii) By imposing emergency cuts even on approved expenditure.

Let us discuss these seriatum :

(i) *Reduction in Datum-grants* : The speeches of the Honourable Minister for Education quoted above will show that Government had no idea of paying less to the Boards than what they were actually paying prior to the transfer of control. The Minister had stated in the most unambiguous terms that there was no intention to reduce the grants then paid to the Boards and that the payment of Datum-grants would be guaranteed so long as the money was not misapplied or abused. And yet we find that this view is no longer held today. Section 13(2) of the Act was purposely introduced to give statutory effect to the above assurances of the Honourable Minister but, unfortunately, it is negatively

worded. It only states that the Act does not affect the existing claims of the Local Authorities. It has now been held that the Local Authorities had no legal claims to any grant before the Act was passed and that grants were purely discretionary. As Section 13(2) does not confer any new claim upon the Local Authorities, it is argued that even Datum-grants are discretionary and can be reduced !

Consequently, Government have already promulgated a new rule, 109(a), which provides for a reduction in the Datum-grant.* It sometimes happens that the expenditure of a Board in a particular year happens to be less than the Datum-expenditure. This happened, for instance, in Dharwar in 1936-37 when the pay of teachers for January and February could not be paid before the end of the financial year owing to shortage of funds. Naturally, the expenditure incurred by the Board during that year was even smaller than the Datum-expenditure. Morally, Government was bound to pay the whole amount of Datum-grant to the Board in this case because the Datum-grant is the minimum guaranteed grant. Surpluses, if any, will naturally be utilized by the Boards during subsequent years. But under P. E. Rule 109(a), Government pays only that amount which is equal to approved expenditure of the Board in that year minus the Datum-assets ! This is a clear breach of faith with Local Bodies and it leads to serious financial losses for them.

(ii) *Approved Expenditure*: The second method by which Government evaded to pay the legitimate demands of the Boards was by refusing to "approve" their expenditure on primary education. When the rules reserved to Government the right to "approve" expenditure and to pay grants at two-thirds of the *approved* and not of the *total* expenditure, no one raised any great protest. For, it was believed that the words "approved" would be sensibly interpreted or that it would

*P. E. Rule 109 is quoted below for ready reference :—

RECURRING GRANTS

109. *Grants how calculated*: The Provincial Government grants under section 13 of the Act on account of recurring expenditure on primary education shall ordinarily be calculated as follows :—

(a) DISTRICT LOCAL BOARDS

The grants in any year shall be not less than the grants on account of primary education fixed by the Provincial Government with reference to sub-section (2) of section 13 of the Act plus two-thirds of the difference between the total approved recurring expenditure on primary education in the given year and the actual recurring expenditure on which the fixed grant was based :

Provided that if the expenditure in the given year is less than the actual recurring expenditure on which the fixed grant was based, the grant for that year shall be equal to the approved expenditure of that year minus the local assets on which the fixed grant was based.

be used only to prevent extravagance or misapplication of funds. No one even dreamt that the word would be used to exclude such legitimate and urgent expenditure as on the opening of new schools where they were long in demand, or the appointment of teachers in understaffed schools, or the payment of house-rent in a drive to improve school accommodation !

But as the events actually showed, the word "approved" became a terrible weapon in the hands of Government and was used extensively to dodge payments on legitimate expenditure of several lakhs of rupees every year. Every technicality and excuse was availed of to evade "approval" and each audit of a school board account became a ceaseless search for excuses to "disallow expenditure for purposes of Government grant". It is needless to go into all the intricacies of the problem in this small book. The curious reader may well have a look at the "Code Containing Orders of Government Regulating Expenditure on Primary Education" in order to have an initiation into the mysteries of the subject. The book is a massive document of more than a hundred pages and seeks to explain the various items on which no expenditure can be admitted for Government grant. As a sample, I quote the following :—

" 194. Expenditure incurred by School Boards on repairs to the articles of furniture lent by the Department will not be admitted for Government grant. ■■■

LIST OF INADMISSIBLE ITEMS OF EXPENDITURE

" Expenditure in connection with the items detailed below is not admissible for Government grant :—

" 202. Pay of "Charka" master.

" 219. Grant to Municipal Teachers' Library.

" 222. Expenditure on Magic Lanterns by Local Authority Municipalities.

" 223. Expenditure on purchase of materials for Magic Lanterns by Local Authority Municipalities.

" 224. Expenditure on account of gardening charges in Primary Schools (in the case of Municipalities).

" 225. Expenditure incurred by the Boards in planting trees in school compounds.

" 231. Expenditure on Primary Schools tournaments.

" 249. Expenditure on handicraft exhibition."

I have quoted these illustrations to show the ludicrous side of the Code rather than its inconveniences. After all, the expenditure on items of this type is negligible and it matters little whether they are

approved or unapproved. But the real inconvenience to the Boards was caused by the policy of Government to disallow expenditure on the following items :—

(1) *Opening of New Schools* : Government disallowed for grant all expenditure on the new schools opened by a Local Board unless it had obtained the previous approval of Government for the same. This prevented rapid expansion of schools in rural areas. The total number of villages and towns in the Province is 21,668. Out of these, only 7,517 were provided with a school in 1921-22. Sixteen years later in 1937-38, we find that the number of villages and towns with schools had only increased to 9,180 ! The Chandavarkar Committee had suggested that each taluka should be taken as a unit, that a survey of the school-less villages should be carried out, and that schools in one-tenth of such villages should be opened every year, provided that the village concerned was big enough to make at least 30 children available for instruction. Had this plan been stuck to, it would have been possible to open a school in all school-less villages where about 30 children could be expected to attend. The Local Boards eagerly went about the programme. But Government did not "approve" several schools on the only ground of financial stringency. The result was that Local Boards could achieve only a slight expansion by their own unaided resources.

(2) *Appointment of Additional Teachers* : Similarly, Government disallowed for grant all expenditure on teachers for whose posts its previous sanction had not been obtained. As awakening among the people increased, more children began to come to schools even without compulsion. This was particularly so after the Civil Disobedience Movement of 1931-32. In order to cope with the demand, the Local Boards had either to appoint large number of additional teachers or to adopt economy devices like the shift system. The Educational Department which was bent on "efficiency" would not allow the adoption of the shift system and the Government which was bent on economies of finance would not sanction the additional teachers required. It is to be remembered that the posts of several hundred of teachers remained unsanctioned for years together, not because they were considered to be unnecessary, but because Government could not see their way to "sanction" them. This was another tremendous set-back to expansion.

(3) *Rents for School Buildings* : Thirdly, Government made it a rule that the expenditure of a Local Authority on rents for school buildings in any year would be admissible for purposes of Government grant to the extent to which it was admitted in the previous year *plus*

an increase of 5 per cent over it. Now the amount of rents paid by a Local Authority has increased considerably owing to the increase in schools and pupils and the desire of the Local Bodies to replace rent-free buildings by rented ones—chiefly with a view to secure free access to Harijans. But the above rule has led to hardships and a good deal of expenditure on rents remained unsanctioned.

It is not necessary to give instances of other items of expenditure which were usually disallowed. The illustrations given above are quite enough to show how the Government policy of disallowing legitimate expenditure for purposes of grant hindered the rapid expansion of primary education.

(iii) // *The Emergency Cuts* : Much as one would like to condemn this action of Government in not "approving" lakhs of legitimate expenditure, it was not so bad as the imposition of emergency cuts even on the grants at two-thirds of the approved expenditure. If Government had paid all the amount due under the rules, viz. two-thirds of the approved expenditure *plus* Datum-constant, the progress of primary education would have been considerable. But owing to financial stringency, Government imposed emergency cuts even on the grant so payable. The following table shows the extent of these cuts :—

Year	<i>Emergency cut imposed on the amount of grant due to Local Boards</i>			
1931-32	5 per cent
1932-33	19½ "
1933-34	12 "
1934-35	12 "
1935-36	11 "
1936-37	8 "
1937-38	8 "

These cuts crippled the resources available for primary education to a very great extent and gave the greatest set-back to expansion. //

The cumulative effect of all these mistakes of commission and omission—both on part of Local Boards and of Government—may be seen in the following table which compares the statistics of expenditure on primary education in rural areas in 1921-22 and 1937-38 :—

Division	1921-22		1937-38	
	Government grant	Local Fund Cess and other Local Taxation	Government grant	Local Fund Cess and other Local Taxation
	Rs.	Rs.	Rs.	Rs.
B. D.	11,59,773	1,54,431	13,22,762	2,63,256
C. D.	22,58,537	3,21,661	28,03,507	7,17,034
N. D.	17,55,773	1,93,593	17,59,908	2,20,481
S. D.	15,32,433	1,77,476	16,73,218	3,63,116
Total for the Province...	67,06,516	8,47,161	75,59,395	15,63,887

One has only to compare these figures with the expectations of the Chandavarkar Committee to realise the colossal failure of the period under review. The Committee expected that the Provincial expenditure would increase by about Rs. 77 lakhs (including Sind) in ten years. Actually it increased by about Rs. 8.5 lakhs (excluding Sind) only in sixteen years ! Similarly, the Committee expected the contributions of Local Boards to rise by Rs. 20 lakhs (including Sind) ; actually it has risen by Rs. 7.25 lakhs (excluding Sind) only. As against this rise in Local Board expenditure, Government ought to have contributed at least Rs. 14.5 lakhs ; but it contributed only Rs. 8.5 lakhs. The figures hardly need any further comments.

E.—EXPANSION OF PRIMARY EDUCATION

The foregoing narrative of the grants to Local Boards must have already prepared the mind of the reader to feel that there could not have been a great expansion of primary education in the period under review. Such a presumption would be entirely justified by statistics. The Table on next page shows the number of schools and pupils in the year 1921-22 and 1937-38.

Division and Year	Schools			Pupils		
	On Local Board Budget	Aided	Total	In Local Board Schools	In Aided Schools	Total
B. D.	1,597	120	1,717	83,606	6,052	89,658
C. D.	2,804	316	3,120	1,55,511	8,781	1,64,292
N. D.	1,602	177	1,779	1,06,585	7,678	1,14,263
S. D.	1,635	350	1,985	1,00,588	11,190	1,11,778
Total for 1921-22	7,638	963	8,601	4,46,290	33,701	4,79,991
B. D.	1,967	303	2,270	1,39,548	17,600	1,57,148
C. D.	3,768	473	4,241	2,72,825	18,885	2,91,710
N. D.	1,610	425	2,035	1,41,702	17,415	1,59,117
S. D.	1,933	452	2,385	1,35,955	18,588	1,54,543
Total for 1937-38	9,278	1,653	10,931	6,90,030	72,488	7,62,518
Net increase	1,640	690	2,330	2,43,740	38,787	2,82,527
Percentage of increase	21	73	27	54.5	115	58.8

The Chandavarkar Committee wanted to double the number of children in ten years. The Honourable the Education Minister was more optimistic and wanted to achieve the same result in six or seven years. But as things actually turned out, even after sixteen years, the number of pupils has only increased by half as much ! That this should be the end of the first and only attempt to work out a definite time-table of expansion is really a tragic event. But even this failure has its own lessons to teach. It is for us to find them out and to take care that the mistakes of the past are not repeated in the plans of future.

REFERENCES

1. Report of the Chandavarkar Committee, 1922.
2. Bombay Legislative Council Debates, 1922.
3. " Primary Education Act, 1923.
4. " " " Rules, 1924.
5. Code of Orders Regulating Expenditure on Primary Education.
6. Reports of the Director of Public Instruction, Bombay, from 1922-23 to 1937-38.